

REGIONS FINANCIAL CORP
Form 424B5
May 20, 2009
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-142839

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated May 20, 2009.

PROSPECTUS SUPPLEMENT

(To Prospectus Dated May 11, 2007)

250,000 Shares

Regions Financial Corporation

% Mandatory Convertible Preferred Stock, Series B

We are offering 250,000 shares of our % mandatory convertible preferred stock, Series B, with an initial liquidation preference of \$1,000 per share (our Mandatory Convertible Preferred Stock).

We will pay annual dividends on each share of our Mandatory Convertible Preferred Stock at a rate of % per share on the initial liquidation preference thereof of \$1,000 per share. Dividends will accrue and cumulate from the date of issuance and, to the extent that we are legally permitted to pay dividends and our board of directors declares a dividend payable, we will pay dividends on February 15, May 15, August 15 and November 15 of each year prior to December 15, 2010 in cash and on December 15, 2010 in cash, shares of our Common Stock, par value \$0.01 per share (our Common Stock), or a combination thereof. The first dividend payment will be made on August 15, 2009, in the expected amount of \$ per share of our Mandatory Convertible Preferred Stock, which reflects the time period from the expected date of issuance to August 15, 2009.

Each share of our Mandatory Convertible Preferred Stock has a liquidation preference of \$1,000, plus accrued and unpaid dividends. Each share of our Mandatory Convertible Preferred Stock will automatically convert on December 15, 2010 into between and shares of our Common Stock, subject to anti-dilution adjustments, depending on the average VWAP (as defined herein) per share of our Common Stock over the 20 trading day period ending on the third trading day prior to such date. At any time prior to December 15, 2010, holders may elect to convert each share of our Mandatory Convertible Preferred Stock into shares of our Common Stock, subject to anti-dilution adjustments. In addition, the Mandatory Convertible Preferred Stock shall be converted in whole or in part at the option of the Company at any time with such conversion occurring using the fundamental change conversion rate (as defined herein) and we will pay accrued and unpaid dividends in Common Stock.

Our Common Stock is listed on the New York Stock Exchange under the symbol RF. The last reported sale price of our Common Stock on May 19, 2009 was \$5.24 per share. We intend to apply to list the Mandatory Convertible Preferred Stock on the New York Stock Exchange.

Concurrently with this offering of Mandatory Convertible Preferred Stock, we are offering shares of our Common Stock (shares if the underwriters exercise their option to purchase additional shares of our Common Stock in full). The Common Stock will be offered

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pursuant to a separate prospectus supplement (the "Common Stock Offering"). We are also offering to exchange up to 138,000,000 shares of our Common Stock for 6.625% Trust Preferred Securities issued by Regions Financing Trust II (the "Exchange Offer"). This prospectus supplement shall not be deemed an offer to sell or a solicitation to buy any of our Common Stock offered in the Common Stock Offering or the Exchange Offer. This offering is not conditioned upon the successful completion of the Common Stock Offering or the Exchange Offer.

Neither the Mandatory Convertible Preferred Stock nor our Common Stock is a savings account, deposit or other obligation of any of our bank or non-bank subsidiaries and neither is insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Investing in the Mandatory Convertible Preferred Stock involves risks. See Risk Factors beginning on page S-8 of this prospectus supplement to read about factors you should consider before buying Mandatory Convertible Preferred Stock.

Neither the Securities and Exchange Commission, any state securities commission, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts or commissions	\$	\$
Proceeds to Regions Financial Corporation (before expenses)	\$	\$

The underwriters expect to deliver the Mandatory Convertible Preferred Stock in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about _____, 2009.

The underwriters also may purchase up to an additional 37,500 shares of Mandatory Convertible Preferred Stock within 30 days of the date of this prospectus supplement.

Joint Book-Running Managers

Goldman, Sachs & Co.

J.P. Morgan

Lead Manager

Morgan Keegan & Company, Inc.

Prospectus Supplement dated May _____, 2009

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Unless otherwise indicated, you may rely only on the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. Neither we nor any underwriter has authorized anyone to provide any other information. When you make a decision about whether to invest in the Mandatory Convertible Preferred Stock, you should not rely upon any information other than the information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. Neither the delivery of this prospectus supplement nor the sale of the Mandatory Convertible Preferred Stock means that information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference is correct after their respective dates. This prospectus supplement and the accompanying prospectus are not an offer to sell or solicitation of an offer to buy shares of the Mandatory Convertible Preferred Stock in any circumstances under which the offer or solicitation is unlawful.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part is the prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the heading **Where You Can Find More Information**.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to the Company, we, us, our, similar references mean Regions Financial Corporation and not its subsidiaries and references to Regions mean Regions Financial Corporation and its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference is accurate as of any date other than the date of the applicable document. Regions' business, financial condition, results of operations and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any of the securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or SEC. Our SEC filings are available to the public over the Internet at the SEC web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at its public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Our SEC filings are also available at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call 212-656-5060.

The SEC allows us to incorporate by reference into this prospectus supplement the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and information that we subsequently file with the SEC will automatically update and supersede information in this prospectus supplement and in our other filings with the SEC. We incorporate by reference the documents listed below, which we have already filed with the SEC, and any future filings we make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or Exchange Act, until we sell all the securities offered by this prospectus supplement (in each case, other than information that is deemed, under SEC rules, not to have been filed):

Our Annual Report on Form 10-K for the year ended December 31, 2008, filed February 24, 2009;

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, filed May 11, 2009, and Amendment No. 1 on Form 10-Q/A, filed May 13, 2009;

Our Current Reports on Form 8-K, filed February 27, 2009, March 2, 2009, April 16, 2009, (containing disclosure under Item 8.01), April 22, 2009, May 7, 2009 and May 20, 2009; and

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The description of our Common Stock contained in our current report on Form 8-K filed on July 1, 2004 with the SEC, including any amendment or report filed for the purpose of updating such description.

You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing) at no cost, by writing or calling us at the following address:

Regions Financial Corporation

Investor Relations

1900 Fifth Avenue North

Birmingham, Alabama 35203

Telephone: (205) 581-7890

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information included or incorporated by reference in this prospectus supplement and the accompanying prospectus 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, unless the context implies otherwise, 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:

In October 2008 Congress enacted and the President signed into law the Emergency Economic Stabilization Act of 2008, and on February 17, 2009 the American Recovery and Reinvestment Act of 2009 was signed into law. Additionally, the Department of the U.S. Treasury (the "U.S. Treasury") and federal banking regulators are implementing a number of programs to address capital and liquidity issues in the banking system and may announce additional programs that will apply to Regions in the future, all of which may have significant effects on Regions and the financial services industry, the exact nature and extent of which cannot be determined at this time.

Regions' ability to raise sufficient capital to satisfy the Supervisory Capital Assessment Program ("SCAP") requirements without additional Government investment.

Until Regions is able to repay the outstanding preferred stock issued under the Troubled Asset Relief Program ("TARP"), the impact of compensation and other restrictions on recipients of TARP preferred stock.

The impact of possible additional loan losses and reserve build-up on earnings and capital.

Possible changes in interest rates may affect funding costs and reduce earning asset yields, thus reducing margins.

Possible changes in general economic and business conditions in the United States in general and in the communities Regions serves in particular.

Possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans.

Possible other changes in trade, monetary and fiscal policies, laws and regulations, and other activities of governments, agencies, and similar organizations, including changes in accounting standards, may have an adverse effect on our business.

The current 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.

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Regions ability to achieve the earnings expectations related to businesses that have been acquired or that may be acquired in the future.

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.

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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, and regulatory and compliance risk.

The cost and other effects of material contingencies, including litigation contingencies.

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 droughts and hurricanes.

The words goal, target, objective, believe, expect, anticipate, project, and similar expressions often signify forward-looking statements 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.

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SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and may not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before deciding whether to invest in the Mandatory Convertible Preferred Stock. You should pay special attention to the Risk Factors section of this prospectus supplement and contained in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2009 to determine whether an investment in the Mandatory Convertible Preferred Stock is appropriate for you.

Regions Financial Corporation

Regions Financial Corporation is a Delaware corporation and financial holding company headquartered in Birmingham, Alabama, which operates throughout the South, Midwest and Texas. Regions provides traditional commercial, retail and mortgage banking services, as well as other financial services in the fields of investment banking, asset management, trust, mutual funds, securities brokerage, insurance and other specialty financing. At March 31, 2009, Regions had total consolidated assets of approximately \$142.0 billion, total consolidated deposits of approximately \$93.5 billion and total consolidated stockholders' equity of approximately \$16.8 billion.

Its principal executive offices are located at 1900 Fifth Avenue North, Birmingham, Alabama 35203 and its telephone number is (205) 944-1300.

Recent Developments

In February 2009, the U.S. Treasury and the federal bank regulators announced that the 19 largest U.S. bank holding companies would be required to undergo a forward-looking capital assessment, or stress test, referred to as the SCAP. On April 24, 2009, the Board of Governors of the Federal Reserve System (FRB) published a white paper addressing process and methodologies being employed by the federal banking supervisory agencies in the SCAP, and on May 6, 2009, the heads of the FRB, U.S. Treasury, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation issued a joint statement on the program. On May 7, 2009, the FRB publicly announced the results of the stress test for each of these 19 institutions, including Regions. Under a hypothetical more adverse scenario for a period through the end of 2010 for each of these institutions, the FRB projected losses and loss rates across select categories of loans; resources available to absorb those losses; and the resulting necessary additions to capital buffers. In addition to the requirement to be well-capitalized of maintaining a Tier 1 risk-based ratio of at least 6%, the SCAP resulted in the establishment of a target to establish an additional capital buffer sufficient to have a Tier 1 common risk-based ratio of at least 4% at the end of 2010, under a more adverse macroeconomic scenario than is currently anticipated. As of March 31, 2009, we had a Tier 1 risk-based ratio of 10.41% and a Tier 1 common risk-based ratio of 6.49%.

In connection with the completion of the SCAP, we have agreed with our regulators to establish an additional capital buffer by increasing our Tier 1 common equity by \$2.5 billion, of which at least \$400 million must be new Tier 1 common equity, by November 9, 2009. We are refining the details of a comprehensive capital plan that we expect to submit to our regulators prior to the June 8, 2009 deadline established with respect to the SCAP.

In addition to this offering of Mandatory Convertible Preferred Stock (the Mandatory Convertible Preferred Stock Offering), on May 20, 2009, as part of our SCAP-responsive capital plan, we launched (i) an underwritten public offering of our Common Stock (the Common Stock Offering); and (ii) an offer to

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exchange up to 138 million shares of our Common Stock for outstanding 6.625% Trust Preferred Securities issued by Regions Financing Trust II (the Trust Preferred Securities), upon the terms and subject to the conditions set forth in our preliminary prospectus dated May 20, 2009 and the related letter of transmittal (the Exchange Offer). Under the terms of the Exchange Offer, for each \$1,000 liquidation amount of Trust Preferred Securities accepted for exchange, Regions will issue a number of shares of Common Stock having a value (based on the Relevant Price) equal to \$700. The Relevant Price is the greater of (i) the average volume weighted average price of Regions common shares over the last five trading days of the currently scheduled Exchange Offer period and (ii) the Minimum Share Price of \$2.65 per share. The Exchange Offer will expire at 11:59 p.m., New York City time, on June 17, 2009, unless extended or earlier terminated.

The remaining capital required by SCAP is expected to be achieved through a combination of actions including (i) additional liability management actions including possible exchanges of equity for our and Regions Bank s \$4.25 billion of outstanding subordinated debt and \$345 million of additional trust preferred securities, (ii) sales of non-core assets and businesses, (iii) pre-provision earnings in excess of the amounts assumed under the SCAP analysis, (iv) a potential reduction in disallowed deferred tax assets as a result of increased Tier 1 capital levels, and (v) if necessary, the issuance of common equity and other Tier 1 common qualifying instruments.

Ratings Downgrade

On May 18, 2009, Regions senior notes, subordinated notes and junior subordinated notes were downgraded to Baa3, Ba1 and Ba2 from A3, Baa1 and Baa1, respectively by Moody s Investors Service. Regions Bank s financial strength, long-term deposits and short-term deposits were downgraded to D+, Baa1 and P-2 from C+, A2 and P-1, respectively. Regions off-balance sheet arrangements include facilities supporting Variable Rate Demand Notes (VRDNs), including certain standby letters of credit and standby bond purchase agreements (also referred to as liquidity facilities). As of May 15, 2009, Regions VRDN portfolio included unfunded letters of credit of approximately \$4.4 billion (net of participations) and unfunded liquidity facilities of approximately \$0.3 billion. The downgrades of the short-term deposits increase the risk that the VRDNs will be subject to a failed remarketing, which would result in Regions funding up to \$4.7 billion of which \$4.4 billion would be classified as loans and \$0.3 billion as available for sale securities. Also, as of May 15, 2009, Regions had excess balances in interest-bearing deposits in other banks of approximately \$14 billion which would be more than sufficient to absorb such fundings. It is possible that the other ratings agencies rating our debt securities and the debt securities of Regions Bank will also downgrade such obligations.

The Exchange Offer may cause the ratings agencies to lower the ratings assigned to our Trust Preferred Securities and other of our securities. Any such action may lead to a downgrade of any rating assigned to our Mandatory Convertible Preferred Stock or in the assignment of a rating for such securities that is lower than might otherwise be the case.

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The following summary contains basic information about the Mandatory Convertible Preferred Stock and this offering and is not intended to be complete. It does not contain all the information that is important to you. For a complete understanding of the Mandatory Convertible Preferred Stock, you should read the section of this prospectus supplement entitled "Description of Mandatory Convertible Preferred Stock." Investors should review the information in the section of this prospectus supplement entitled "Description of Capital Stock" for additional information regarding our Common Stock and our other capital securities.

Issuer	Regions Financial Corporation, a Delaware corporation and a financial holding company.
Securities offered	_____ shares of _____ % Mandatory Convertible Preferred Stock, Series B, which we refer to in this prospectus supplement as the _____ Mandatory Convertible Preferred Stock (_____ shares if the underwriters exercise their option to purchase additional Mandatory Convertible Preferred Stock in full).
Initial offering price	\$1,000 per share of Mandatory Convertible Preferred Stock.
Liquidation preference	\$1,000 per share of Mandatory Convertible Preferred Stock, plus an amount equal to the sum of all accrued and unpaid dividends.
Dividends	_____ % per share on the liquidation amount thereof of \$1,000.00 for each share of our Mandatory Convertible Preferred Stock per year. Dividends will accrue and cumulate from the date of issuance and, to the extent that we are legally permitted to pay dividends and we declare a dividend payable, we will pay dividends in cash on each dividend payment date except the final dividend payment date when we may pay dividends in cash, shares of our Common Stock or a combination thereof. The expected dividend payable on the first dividend payment date is \$ _____ per share and on each subsequent dividend payment date is expected to be \$ _____ per share. See "Description of Mandatory Convertible Preferred Stock" Dividends.
Dividend payment dates	February 15, May 15, August 15 and November 15 of each year prior to December 15, 2010, commencing on August 15, 2009, and on December 15, 2010.
Redemption	Our Mandatory Convertible Preferred Stock is not redeemable.
Mandatory conversion date	December 15, 2010.
Mandatory conversion	On the mandatory conversion date, each share of our then outstanding Mandatory Convertible Preferred Stock will automatically convert into shares of our Common Stock equal to the conversion rate as described below.
	<p>_____ Holders of Mandatory Convertible Preferred Stock on the mandatory conversion date will have the right to receive accrued and unpaid dividends through such date in cash, shares of our Common Stock or a combination thereof, whether or not declared (other than previously declared dividends on the Mandatory Convertible Preferred Stock payable to holders of record as of a prior date), to the extent we are legally permitted to pay such dividends at such time.</p>

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Conversion rate The conversion rate for each share of our Mandatory Convertible Preferred Stock will be not more than _____ shares of our Common Stock and not less than _____ shares of our Common Stock, depending on the applicable market value of our Common Stock, as described below.

The number of shares delivered in connection with any dividend payment (including payment of accrued and unpaid dividends on conversion), together with the number of shares delivered upon conversion of the Mandatory Convertible Preferred Stock, shall in no event exceed twice the maximum conversion rate (as defined below), subject to certain adjustments, as described under Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments.

The applicable market value of our Common Stock is the average of the daily volume weighted average price per share of our Common Stock on each of the 20 consecutive trading days ending on the third trading day immediately preceding the mandatory conversion date. It will be calculated as described under Description of Mandatory Convertible Preferred Stock Mandatory Conversion.

The conversion rate is subject to certain adjustments, as described under Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments.

The following table illustrates the conversion rate per share of our Mandatory Convertible Preferred Stock, subject to certain anti-dilution adjustments described under Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments, based on the applicable market value of our Common Stock on the mandatory conversion date.

Applicable Market Value on the		
Mandatory Conversion Date		Conversion Rate
Less than or equal to \$		
Greater than \$ _____ and less		\$1,000.00 divided
than \$ _____ .		by the applicable
		market value
Equal to or greater than \$		

Optional conversion At any time prior to December 15, 2010, you may elect to convert each of your shares of our Mandatory Convertible Preferred Stock at the minimum conversion rate of _____ shares of our Common Stock for each share of Mandatory Convertible Preferred Stock. This conversion rate is subject to certain adjustments as described under Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments.

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Holders of Mandatory Convertible Preferred Stock who exercise the optional conversion right will have the right to receive (at our election in cash, shares of our Common Stock or a combination thereof) any accrued and unpaid dividends on the Mandatory Convertible Preferred Stock as of the conversion date, whether or not declared (other than previously declared dividends on the Mandatory Convertible Preferred Stock payable to holders of record as of a prior date), to the extent we are legally permitted to pay such dividends at such time.

Conversion upon a fundamental change

Upon the occurrence of a fundamental change, as defined herein, on or prior to December 15, 2010, under certain circumstances we will (i) permit conversion of our Mandatory Convertible Preferred Stock during the period beginning on the effective date of the fundamental change and ending on the earlier of (A) the mandatory conversion date and (B) the date that is 20 business days after the effective date and (ii) pay converting holders, in shares of our Common Stock, an amount equal to the sum of any accrued and unpaid dividends on shares of our Mandatory Convertible Preferred Stock that are converted, as described under Description of Mandatory Convertible Preferred Stock Conversion Upon Fundamental Change. The applicable conversion rate will be determined based on the effective date of the fundamental change and the price paid per share of our Common Stock in such transaction or an average of the price per share of our Common Stock over a five trading day period ending on the trading day preceding the effective date for the fundamental change.

Early Conversion at the Option of the Company

At any time prior to the mandatory conversion date, the Company may, at its option, cause the conversion of all or some of the shares of the Mandatory Convertible Preferred Stock then outstanding into shares of our Common Stock. Such conversion shall be made at the fundamental change conversion rate with the effective date for this purpose being deemed to be the conversion date specified by the Company in its notice of conversion. In connection with any such conversion, the Company will also pay you, in shares of our Common Stock, an amount equal to the sum of any accrued and unpaid dividends on shares of our Mandatory Convertible Preferred Stock that are converted.

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Anti-dilution adjustments

The formula for determining the conversion rate and the number of shares of our Common Stock to be delivered upon conversion may be adjusted in the event of, among other things, stock dividends or distributions in shares of our Common Stock or subdivisions, splits and combinations of our Common Stock. See Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments.

Voting rights

Except as required by law and our restated certificate of incorporation, which will include the certificate of designation for the Mandatory Convertible Preferred Stock, the holders of Mandatory Convertible Preferred Stock will have no voting rights.

The affirmative consent of holders of at least 66 2/3% of the outstanding Mandatory Convertible Preferred Stock and all other preferred stock or securities having similar voting rights will be required for the authorization or increase in the authorized amount of any class or series of stock ranking senior to the Mandatory Convertible Preferred Stock with respect to either or both the payment of dividends and the distribution of assets upon any liquidation, dissolution or winding up and for amendment, alteration or repeal of any provision of our restated certificate of incorporation so as to adversely affect the rights, preferences, privileges or voting powers of the Mandatory Convertible Preferred Stock. See Description of Mandatory Convertible Preferred Stock Voting Rights.

Ranking

The Mandatory Convertible Preferred Stock will rank with respect to dividend rights and rights upon our liquidation, winding-up or dissolution:

senior to all of our Common Stock and to each other class of other capital stock or series of preferred stock issued in the future unless the terms of that stock expressly provide that it ranks senior to, or on a parity with, the Mandatory Convertible Preferred Stock;

on a parity with our Fixed Rate Cumulative Perpetual Preferred Stock, Series A (the Series A Preferred Stock) and any of our capital stock issued in the future, the terms of which expressly provide that it will rank on a parity with the Mandatory Convertible Preferred Stock; and

junior to all of our capital stock issued in the future, the terms of which expressly provide that such stock will rank senior to the Mandatory Convertible Preferred Stock.

Use of proceeds

We expect to receive net proceeds from this offering of approximately \$ (or approximately \$ if the underwriters exercise their option to purchase additional shares of Mandatory Convertible Preferred Stock in full), after deduction of underwriting discounts and commissions and estimated expenses payable by us. We expect to use the net proceeds from the sale of our Mandatory Convertible Preferred Stock for general corporate purposes.

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Concurrent transactions	Concurrently with this offering, we are offering by means of a separate prospectus supplement shares of our Common Stock (and up to an additional shares of our Common Stock if the underwriters exercise their option to purchase additional shares in full). In addition, we are offering 138,000,000 shares of our Common Stock in exchange for certain Trust Preferred Securities. After we sell shares in the Common Stock Offering, we expect to increase the number of shares offered in the Exchange Offer by 20% of the number of shares we sell in the Common Stock Offering. This offering is not contingent on completion of the Common Stock Offering or the Exchange Offer.
Material U.S. federal income tax consequences	The material U.S. federal income tax consequences of purchasing, owning and disposing of the Mandatory Convertible Preferred Stock and any Common Stock received upon its conversion are described in Material U.S. Federal Income Tax Consequences. You should consult your tax advisor with respect to the U.S. federal income tax consequences of owning our Mandatory Convertible Preferred Stock and Common Stock in light of your own particular situation and with respect to any tax consequences arising under the laws of any state, local, foreign or other taxing jurisdiction.
Book-entry, delivery and form	Initially, the Mandatory Convertible Preferred Stock will be represented by one or more permanent global certificates in definitive, fully registered form deposited with a custodian for, and registered in the name of, a nominee of The Depository Trust Company, which we refer to as DTC.
Listing	We intend to apply to list the Mandatory Convertible Preferred Stock on the New York Stock Exchange, or NYSE.
Common stock	Our Common Stock is listed for trading on the NYSE under the symbol RF .
Risk factors	See Risk Factors beginning on page S-8 of this prospectus supplement and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of the factors you should carefully consider before deciding to invest in our Mandatory Convertible Preferred Stock.
Registrar and Transfer Agent	Computershare Investor Services LLC.

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RISK FACTORS

An investment in our Mandatory Convertible Preferred Stock and our Common Stock into which it is convertible involves certain risks. You should carefully consider the risks described below and the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2009, as well as the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The trading price of our Mandatory Convertible Preferred Stock and our Common Stock could decline due to any of these risks, and you may lose all or part of your investment. This prospectus supplement also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement and the accompanying prospectus.

Risks Relating to the Mandatory Convertible Preferred Stock

A holder of our Mandatory Convertible Preferred Stock would bear the risk of any decline in the market value of our Common Stock.

The market value of our Common Stock on the mandatory conversion date may be less than the market price corresponding to the maximum conversion rate, which we call the initial price, in which case holders of our Mandatory Convertible Preferred Stock will receive shares of our Common Stock on the mandatory conversion date with a market value per share that is less than the initial price. Accordingly, a holder of Mandatory Convertible Preferred Stock assumes the entire risk that the market value of our Common Stock may decline. Any decline in the market price of shares of our Common Stock and related decline in value of the Mandatory Convertible Preferred Stock may be substantial and, depending on the extent of the decline, you could lose all or substantially all of your investment in the Mandatory Convertible Preferred Stock.

Purchasers of our Mandatory Convertible Preferred Stock may not realize any or all of the benefit of an increase in the market price of shares of our Common Stock.

The market value of our Common Stock that you will receive upon mandatory conversion of our Mandatory Convertible Preferred Stock on the mandatory conversion date will exceed the liquidation amount of \$1,000 per Mandatory Convertible Preferred Stock only if the applicable market value of our Common Stock as defined under Description of Mandatory Convertible Preferred Stock Mandatory Conversion equals or exceeds the threshold appreciation price of \$. The threshold appreciation price represents an appreciation of approximately % over the initial price. This means that the opportunity for equity appreciation provided by an investment in our Mandatory Convertible Preferred Stock is less than that provided by a direct investment in shares of our Common Stock.

If the applicable market value of our Common Stock exceeds the initial price but is less than the threshold appreciation price, a holder of our Mandatory Convertible Preferred Stock will realize no equity appreciation on our Common Stock. Furthermore, if the applicable market value of our Common Stock exceeds the threshold appreciation price, the value of the Common Stock received upon conversion will be approximately % of the value of the Common Stock that could be purchased with \$1,000 at the time of this offering.

In addition, the limitation imposed by the share cap may also result in a reduction in the return that holders may achieve with respect to their investment in the Mandatory Convertible Preferred Stock.

The trading price of our Common Stock will directly affect the trading prices for the Mandatory Convertible Preferred Stock.

The trading prices of the Mandatory Convertible Preferred Stock will be directly affected by, among other things, the trading price of our Common Stock. It is impossible to predict whether the price of our Common Stock or interest rates will rise or fall. Our operating results, prospects and economic, financial, political and

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other factors will affect trading prices of our Common Stock and the Mandatory Convertible Preferred Stock. In addition, market conditions can affect the capital markets generally, thereby affecting the price of our Common Stock. These conditions may include the level of, and fluctuations in, the trading prices of stocks generally and sales of substantial amounts of our Common Stock in the market after this offering of the Mandatory Convertible Preferred Stock or the perception that such sales could occur. Fluctuations in interest rates may give rise to arbitrage opportunities based upon changes in the relative value of the Common Stock underlying the Mandatory Convertible Preferred Stock. In addition, the issuance of the Mandatory Convertible Preferred Stock may result in hedging activity by holders of the Mandatory Convertible Preferred Stock that view such Mandatory Convertible Preferred Stock as a more attractive means of equity participation in Regions Financial Corporation than owning our Common Stock. This arbitrage and hedging could, in turn, negatively affect the trading prices of the Mandatory Convertible Preferred Stock and our Common Stock.

We may elect, and shall elect if so instructed by the FRB, to accelerate the conversion date and thereby limit the period of time during which our Common Stock may appreciate as well as the period of time during which payments may be made pursuant to the Mandatory Convertible Preferred Stock.

We may elect in our sole discretion (but if so directed by the FRB, we shall so elect), to accelerate the conversion of all or a portion of the Mandatory Convertible Preferred Stock upon not less than 45 and not more than 60 days prior written notice.

As a consequence of any acceleration of the conversion date, the time period during which our Common Stock may appreciate is reduced as will be the time period during which you may receive payments as a holder of Mandatory Convertible Preferred Stock. Accordingly, the return on your investment in the Mandatory Convertible Preferred Stock will likely be adversely affected by any acceleration of the conversion date. In addition, if the acceleration of the conversion date is occasioned by an instruction received by the FRB, such action may be based on an assessment by the FRB that our need for additional equity capital has increased or been accelerated and, as a result, the calculation of the number of shares of our Common Stock deliverable upon conversion of the Mandatory Convertible Preferred Stock may occur at a time which the price for our Common Stock is particularly depressed.

You may suffer dilution of the Common Stock issuable upon conversion of your Mandatory Convertible Preferred Stock.

The number of shares of our Common Stock issuable upon conversion of your Mandatory Convertible Preferred Stock is subject to adjustment only for stock splits and combinations, stock dividends and certain other specified transactions. See Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments. The number of shares of our Common Stock issuable upon conversion of your Mandatory Convertible Preferred Stock is not subject to adjustment for other events, including the following:

the issuance of shares of our Common Stock for cash or in connection with acquisitions or other transactions, including in exchange for other of our outstanding securities;

the issuance of any shares of our Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on our securities and the investment of additional optional amounts in shares of our Common Stock under any plan;

the issuance of any shares of our Common Stock or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by us or any of our subsidiaries;

the issuance of any shares of our Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security outstanding as of the date the Mandatory Convertible Preferred Stock were first issued;

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payment of regular quarterly dividends not in excess of \$0.01 per share;

a change in the par value of the Common Stock; or

as a result of a tender offer solely to holders of fewer than 100 shares of our Common Stock.

The terms of the Mandatory Convertible Preferred Stock do not restrict our ability to offer shares of our Common Stock in the future or to engage in other transactions that could dilute our Common Stock. We have no obligation to consider the interests of the holders of the Mandatory Convertible Preferred Stock in engaging in any such offering or transaction. If we issue additional shares of our Common Stock, that issuance may materially and adversely affect the price of our Common Stock and, because of the relationship of the number of shares of our Common Stock you are to receive on the mandatory conversion date to the price of our Common Stock, such other events may adversely affect the trading price of the Mandatory Convertible Preferred Stock.

Holders of the Mandatory Convertible Preferred Stock will have no rights as a holder of Common Stock until they acquire our Common Stock.

Until you acquire shares of our Common Stock upon conversion, you will have no rights with respect to our Common Stock, including voting rights (except as required by law and as described under Description of Mandatory Convertible Preferred Stock Voting Rights), rights to respond to tender offers and rights to receive any dividends or other distributions on our Common Stock. To exercise any voting rights described under

Description of Mandatory Convertible Preferred Stock Voting Rights, you may only request that we call a special meeting of the holders of our Mandatory Convertible Preferred Stock and you may not call a meeting directly. Upon conversion, you will be entitled to exercise the rights of a holder of Common Stock only as to matters for which the record date occurs after the conversion date. For example, in the event that an amendment is proposed to our restated certificate of incorporation or bylaws requiring stockholder approval, and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the conversion date, you will not be entitled to vote on the amendment unless it would amend, alter or affect the powers, preferences or rights of the Mandatory Convertible Preferred Stock in a manner that would adversely affect the rights of holders of the Mandatory Convertible Preferred Stock, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our Common Stock.

The fundamental change conversion rate may not adequately compensate you upon a fundamental change.

If a fundamental change occurs, you will be permitted to convert your shares of Mandatory Convertible Preferred Stock early, and we will deliver shares of our Common Stock calculated at the fundamental change conversion rate. A description of how the fundamental change conversion rate will be determined is set forth under Description of Mandatory Convertible Preferred Stock Conversion Upon Fundamental Change. Although these features are designed to compensate you for the lost value of your Mandatory Convertible Preferred Stock, they are only an approximation of this lost value and may not adequately compensate you. Furthermore, the term fundamental change applies only to specific types of transactions, and if we engage in other transactions you may not receive any adjustment to the conversion rate even though the value of your Mandatory Convertible Preferred Stock may be affected.

Ratings agencies recently downgraded our securities and the deposit ratings of Regions Bank; these downgrades and any subsequent downgrades could adversely impact the price and liquidity of our securities and could have an adverse impact on our businesses and results of operations.

On May 18, 2009, Regions senior notes, subordinated notes and junior subordinated notes were downgraded to Baa3, Ba1 and Ba2 from A3, Baa1 and Baa1, respectively, by Moody's Investors Service. Regions Bank's financial strength, long-term deposits and short-term deposits were downgraded to D+, Baa1 and P-2 from C+, A2 and P-1, respectively. Regions off-balance sheet arrangements include facilities supporting

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VRDNs, including certain standby letters of credit and standby bond purchase agreements (also referred to as liquidity facilities). As of May 15, 2009, Regions' VRDN portfolio included unfunded letters of credit of approximately \$4.4 billion (net of participations) and unfunded liquidity facilities of approximately \$0.3 billion. The downgrades of the short-term deposits increase the risk that the VRDNs will be subject to a failed remarketing, which would result in Regions funding up to \$4.7 billion of which \$4.4 billion would be classified as loans and \$0.3 billion as available for sale securities. It is possible that the other ratings agencies rating our debt securities and the debt securities of Regions Bank will also downgrade such obligations. In addition, the Exchange Offer may cause the ratings agencies to lower the ratings assigned to our Trust Preferred Securities and other of our securities. Any such action may lead to a downgrade of any rating assigned to our Mandatory Convertible Preferred Stock or in the assignment of a rating for such securities that is lower than might otherwise be the case.

Where Regions Bank is providing forms of credit support such as letters of credit, standby lending arrangements or other forms of credit support, a decline in short-term credit ratings may require that customers of Regions Bank seek replacement credit support from a higher rated institution. We cannot predict whether customer relationships or opportunities for future relationships could be adversely affected by customers who choose to do business with a higher rated institution.

Our Mandatory Convertible Preferred Stock will rank junior to all of our and our subsidiaries' liabilities in the event of a bankruptcy, liquidation or winding up of our assets.

In the event of bankruptcy, liquidation or winding-up, our assets will be available to pay the liquidation preference of our Mandatory Convertible Preferred Stock only after all of our liabilities have been paid. In addition, our Mandatory Convertible Preferred Stock will effectively rank junior to all existing and future liabilities of our subsidiaries and the capital stock of our subsidiaries held by third parties. The rights of holders of our Mandatory Convertible Preferred Stock to participate in the assets of our subsidiaries upon any liquidation or reorganization of any subsidiary will rank junior to the prior claims of that subsidiary's creditors and minority equity holders. In the event of bankruptcy, liquidation or winding up, there may not be sufficient assets remaining, after paying our and our subsidiaries' liabilities, to pay amounts due on any or all of our Mandatory Convertible Preferred Stock then outstanding.

You may have to pay taxes with respect to constructive distributions that you do not receive.

The conversion rate of our Mandatory Convertible Preferred Stock will be adjusted in certain circumstances. See Description of Mandatory Convertible Preferred Stock Anti-dilution Adjustments. For U.S. federal income tax purposes, adjustments to a fixed conversion rate, or failures to make certain adjustments, that have the effect of increasing your proportionate interest in our assets or earnings and profits may result in a deemed distribution to you. Such deemed distribution will be taxable to you, even though you do not actually receive a distribution. If you are a U.S. alien holder (as defined in Material U.S. Federal Income Tax Consequences), such deemed distribution may be subject to U.S. federal income tax at a 30% or reduced treaty rate, collected by withholding. We will withhold the U.S. federal tax on such dividend from any cash, shares of Common Stock, or sales proceeds otherwise payable to you. See Material U.S. Federal Income Tax Consequences.

The secondary market for the Mandatory Convertible Preferred Stock may be illiquid.

We are unable to predict how the Mandatory Convertible Preferred Stock will trade in the secondary market or whether that market will be liquid or illiquid. There is currently no secondary market for the Mandatory Convertible Preferred Stock. Although we intend to apply to list the Mandatory Convertible Preferred Stock on the NYSE, there is no assurance that such listing will be granted or that a market for the Mandatory Convertible Preferred Stock will develop. The underwriters have advised us that they presently intend to make a market for the Mandatory Convertible Preferred Stock; however, they are not obligated to do so and may discontinue any market making at any time.

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We can give you no assurance as to the liquidity of any market that may develop for the Mandatory Convertible Preferred Stock, your ability to sell such securities or whether a trading market, if it develops, will continue. In addition, as shares of Mandatory Convertible Preferred Stock are converted, the liquidity of the Mandatory Convertible Preferred Stock remaining outstanding may decrease. It is possible that, if the Mandatory Convertible Preferred Stock is listed, the Mandatory Convertible Preferred Stock will be delisted from the NYSE or such other exchange on which they are then listed or that trading in the Mandatory Convertible Preferred Stock could be suspended as a result of the conversion of Mandatory Convertible Preferred Stock that causes the number of these securities to fall below the applicable requirements for listing securities on the NYSE or such other exchange on which they are then listed.

The trading price of our Mandatory Convertible Preferred Stock and our Common Stock may be subject to continued significant fluctuations and volatility.

The market price of our Mandatory Convertible Preferred Stock and our Common Stock could be subject to significant fluctuations due to a change in sentiment in the market regarding our operations or business prospects. Such risks may be affected by:

Operating results that vary from the expectations of management, securities analysts and investors;

Developments in our businesses or in the financial sector generally;

Regulatory changes affecting our industry generally or our businesses and operations;

The operating and securities price performance of companies that investors consider to be comparable to us;

Announcements of strategic developments, acquisitions and other material events by us or our competitors;

Changes in the credit, mortgage and real estate markets, including the markets for mortgage-related securities; and

Changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, stock, commodity, credit or asset valuations or volatility.

Stock markets in general and our Common Stock in particular have experienced over the past eighteen months, and continue to be experiencing, significant price and volume volatility. As a result, the market price of our Mandatory Convertible Preferred Stock and our Common Stock may continue to be subject to similar market fluctuations that may be unrelated to our operating performance or business prospects. Increased volatility could result in a decline in the market price of our Mandatory Convertible Preferred Stock and our Common Stock.

We expect to issue a significant amount of Common Stock over the next six months. The issuance of a significant amount of Common Stock will be dilutive to holders of our Common Stock.

In connection with the completion of the SCAP, we have agreed with our regulators to establish an additional capital buffer by increasing our Tier 1 common equity by \$2.5 billion, of which at least \$400 million must be new Tier 1 equity, by November 9, 2009. We are refining the details of a comprehensive capital plan that we expect to submit to our regulators prior to the June 8, 2009 deadline established with respect to the SCAP. In addition to this offering, as part of our plan to raise common equity, on May 20, 2009: (i) we launched an Exchange Offer to exchange up to 138 million shares of our Common Stock for outstanding 6.625% Trust Preferred Securities issued by Regions Financing Trust II, upon the terms and subject to the conditions set forth in its prospectus dated May 20, 2009 and the related letter of transmittal, and (ii) we launched an underwritten public offering of our Common Stock, for which we filed a prospectus supplement to our prospectus dated May 17, 2007 on file with the SEC. Under the terms of the Exchange Offer, for each \$1,000 principal amount of Trust Preferred Securities accepted for exchange, Regions will issue a number of shares of Common Stock

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having a value (based on the Relevant Price) equal to \$700. The Exchange Offer will expire at 11:59 p.m., New York City time, on June 11, 2009, unless extended or earlier terminated. Those offerings and other future issuances of Common Stock will be dilutive to holders of our Common Stock.

Although not currently contemplated, we could also obtain any portion of the required increase in our Tier 1 common equity by exchanging (with the approval of the U.S. Treasury) a number of shares of the Series A Preferred Stock we issued to the U.S. Treasury under the Capital Purchase Program (the CPP) for (i) shares of mandatory convertible preferred stock issued under the U.S. Treasury's Capital Assistance Program (CAP), or (ii) for Common Stock or another common equivalent security that the U.S. Treasury otherwise agrees to purchase, directly or indirectly. Such an exchange could also involve the issuance of warrants to the U.S. Treasury to purchase additional shares of our Common Stock as contemplated by the published terms of the CAP. We may need to increase our authorized capital in order to complete our comprehensive capital plan or to operate in the normal course after we complete our capital plan.

In connection with purchasing the Series A Preferred Stock, pursuant to a Letter Agreement dated November 14, 2008 and the Securities Purchase Agreement Standard Terms attached thereto, the U.S. Treasury received a warrant to purchase 48,253,677 shares of our Common Stock at an initial per share exercise price of \$10.88, subject to adjustment, which expires ten years from the issuance date, and we have agreed to provide the U.S. Treasury with registration rights covering the warrant and the underlying shares of Common Stock. Even if we were to redeem the Series A Preferred Stock this warrant may not be fully retired, and therefore that it may still be exercisable, prior to its expiration date. The issuance of additional shares of Common Stock or common equivalent securities in future equity offerings, to the U.S. Treasury under the CAP or otherwise, or as a result of the exercise of the warrant the U.S. Treasury holds, will dilute the ownership interest of the existing holders of our Common Stock. We may, in the future, determine that it is advisable, or we may encounter circumstances where we determine it is necessary, to issue additional shares of Common Stock, securities convertible or exchangeable for shares of our Common Stock or common-equivalent securities to fund strategic initiatives or other business needs or to build additional capital. The market price of our Common Stock could decline as a result of this offering or other offerings, as well as other sales of a large block of shares of our Common Stock or similar securities in the market thereafter, or the perception that such sales could occur.

In addition, the terms of the warrant we issued to the U.S. Treasury under the CPP provide that, if we issue shares of Common Stock or securities convertible or exercisable into, or exchangeable for, shares of Common Stock at a price that is less than 90% of the market price of such shares on the last trading day preceding the date of the agreement to sell such shares, the number and the per share price of Common Stock to be purchased pursuant to the warrant will be adjusted pursuant to its terms. Such anti-dilution adjustment may have a further dilutive effect on other holders of our Common Stock. We may issue additional securities convertible into or exercisable for shares of our Common Stock and such securities may also contain anti-dilution provisions.

You may not receive dividends on our Mandatory Convertible Preferred Stock or our Common Stock.

Holders of our Mandatory Convertible Preferred Stock and our Common Stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. Furthermore, our common stockholders are subject to the prior dividend rights of any holders of our preferred stock or depositary shares representing such preferred stock then outstanding. As of March 31, 2009, there were 3,500,000 shares of our Series A Preferred Stock, with a liquidation amount of \$1,000 per share, issued and outstanding. Under the terms of the Series A Preferred Stock, our ability to declare and pay dividends on or repurchase our Common Stock will be subject to restrictions in the event we fail to declare and pay (or set aside for payment) full dividends on the Series A Preferred Stock.

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We recently announced our intention to reduce our quarterly Common Stock dividend to \$0.01 per share, do not expect to increase our quarterly dividend above \$0.01 for the foreseeable future and could determine to eliminate our Common Stock dividend altogether. Furthermore, as long as the Series A Preferred Stock is outstanding, dividend payments and repurchases or redemptions relating to certain equity securities, including our Common Stock, are prohibited until all accrued and unpaid dividends are paid on such preferred stock, subject to certain limited exceptions. In addition, prior to November 14, 2011, unless we have redeemed all of the Series A Preferred Stock or the U.S. Treasury has transferred all of the Series A Preferred Stock to third parties, the consent of the U.S. Treasury will be required for us to, among other things, increase our Common Stock dividend above \$0.10 except in limited circumstances. Under the terms of our Series A Preferred Stock, our ability to declare or pay dividends on or repurchase our Common Stock or other equity or capital securities will be subject to restrictions in the event that we fail to declare and pay (or set aside for payment) full dividends on the Series A Preferred Stock. This could adversely affect the market price of our Common Stock. Also, we are a bank holding company and our ability to declare and pay dividends is dependent on certain federal regulatory considerations, including the guidelines of the FRB regarding capital adequacy and dividends.

In addition, the terms of our outstanding junior subordinated debt securities relating to certain issuances of trust preferred securities prohibit us from declaring or paying any dividends or distributions on our capital stock, including our Mandatory Convertible Preferred Stock and our Common Stock, or purchasing, acquiring, or making a liquidation payment on such stock, if we have given notice of our election to defer interest payments but the related deferral period has not yet commenced or a deferral period is continuing.

We are a holding company and depend on our subsidiaries for dividends, distributions and other payments.

We are a legal entity separate and distinct from our banking and other subsidiaries. Our principal source of cash flow, including cash flow to pay dividends to our stockholders and principal and interest on our outstanding debt, is dividends from our banking subsidiary, Regions Bank. There are statutory and regulatory limitations on the payment of dividends by Regions Bank to us, as well as by us to our stockholders. Regulations of both the FRB and the State of Alabama affect the ability of Regions Bank to pay dividends and other distributions to us and to make loans to us. Given the loss recorded at Regions Bank during the fourth quarter of 2008, under the FRB's rules, Regions Bank does not expect to be able to pay dividends to us in the near term without first obtaining regulatory approval. If Regions Bank is unable to make dividend payments to us and sufficient capital is not otherwise available, we may not be able to make dividend payments to holders of our Mandatory Convertible Preferred Stock or our Common Stock.

In addition, our right to participate in any distribution of assets of any of our subsidiaries upon the subsidiary's liquidation or otherwise, and thus your ability as a holder of our Mandatory Convertible Preferred Stock or our Common Stock to benefit indirectly from such distribution, will be subject to the prior claims of creditors of that subsidiary, except to the extent that any of our claims as a creditor of such subsidiary may be recognized. As a result, shares of our Common Stock are effectively subordinated to all existing and future liabilities and obligations of our subsidiaries. At March 31, 2009, our subsidiaries' total deposits and borrowings were approximately \$117.2 billion.

Offerings of debt, which would be senior to our Mandatory Convertible Preferred Stock and our Common Stock upon liquidation, and/or preferred equity securities which may be senior to our Mandatory Convertible Preferred Stock and our Common Stock for purposes of dividend distributions or upon liquidation, may adversely affect the market price of our Mandatory Convertible Preferred Stock and our Common Stock.

We may attempt to increase our capital resources or, if our or the capital ratio of our banking subsidiary falls below the required minimums, we or our banking subsidiary could be forced to raise additional capital by making additional offerings of debt or preferred equity securities, including medium-term notes, trust preferred securities, senior or subordinated notes and preferred stock. Upon liquidation, holders of our debt securities and

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shares of preferred stock and lenders with respect to other borrowings will receive distributions of our available assets prior to the holders of our Mandatory Convertible Preferred Stock and our Common Stock. Additional equity offerings may dilute the holdings of our existing stockholders or reduce the market prices of our Mandatory Convertible Preferred Stock and our Common Stock, or both. Holders of our Mandatory Convertible Preferred Stock and our Common Stock are not entitled to preemptive rights and the anti-dilution protections of our Mandatory Convertible Preferred Stock are subject to significant limitations.

Our board of directors is authorized to issue one or more classes or series of preferred stock from time to time without any action on the part of the stockholders. Our board of directors also has the power, without stockholder approval, to set the terms of any such classes or series of preferred stock that may be issued, including voting rights, dividend rights, and preferences over our Common Stock with respect to dividends or upon our dissolution, winding-up and liquidation and other terms. If we issue preferred shares in the future that have a preference over our Common Stock with respect to the payment of dividends or upon our liquidation, dissolution, or winding up, or if we issue preferred shares with voting rights that dilute the voting power of our Mandatory Convertible Preferred Stock and our Common Stock, the rights of holders of our Mandatory Convertible Preferred Stock and our Common Stock or the market price of our Mandatory Convertible Preferred Stock and our Common Stock could be adversely affected.

Anti-takeover laws and certain agreements and charter provisions may adversely affect share value.

Certain provisions of state and federal law and our restated certificate of incorporation may make it more difficult for someone to acquire control of us without our board of directors' approval. Under federal law, subject to certain exemptions, a person, entity or group must notify the federal banking agencies before acquiring control of a bank holding company. Acquisition of 10% or more of any class of voting stock of a bank holding company or state member bank, including shares of our Common Stock, creates a rebuttable presumption that the acquiror controls the bank holding company or state member bank. Also, a bank holding company must obtain the prior approval of the FRB before, among other things, acquiring direct or indirect ownership or control of more than 5% of the voting shares of any bank, including Regions Bank. There also are provisions in our restated certificate of incorporation that may be used to delay or block a takeover attempt. As a result, these statutory provisions and provisions in our restated certificate of incorporation could result in Regions being less attractive to a potential acquiror.

Failure to complete the Exchange Offer successfully could negatively affect the price of our Capital Stock.

Several conditions must be satisfied or waived in order to complete the Exchange Offer, including among others that there has been no change or development that in our reasonable judgment may materially reduce the anticipated benefits to us of the Exchange Offer or that has had, or could reasonably be expected to have, a material adverse effect on us, our businesses, condition (financial or otherwise) or prospects. The conditions to the Exchange Offer may not be satisfied, and if not satisfied or waived, the Exchange Offer may not occur or may be delayed. If the Exchange Offer is not completed or is delayed, we may be subject to the following material risks:

the market prices of our Mandatory Convertible Preferred Stock and our Common Stock may decline to the extent that the current market prices otherwise reflect a market assumption that the Exchange Offer has been or will be completed; and

we may not be able to increase our Tier 1 common equity by the amount required under SCAP.

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UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following selected unaudited pro forma financial information has been presented to give effect to and show the pro forma impact of this offering, the Exchange Offer and the Common Stock Offering on our balance sheet as of March 31, 2009, as well as the impact of this offering, the Exchange Offer and the Common Stock Offering on our earnings for the fiscal year ended December 31, 2008 and the three-month period ended March 31, 2009. Completion of the Exchange Offer and the Common Stock Offering are not conditions to the Mandatory Convertible Preferred Stock Offering and no assurance can be given that such transactions will be completed on the terms assumed for the purposes of this presentation of pro forma financial information or at all.

The unaudited pro forma financial information is presented for illustrative purposes only and does not necessarily indicate the financial position or results that would have been realized had the Mandatory Convertible Preferred Stock Offering, the Exchange Offer and the Common Stock Offering been completed as of the dates indicated or that will be realized in the future when and if the Mandatory Convertible Preferred Stock Offering, the Exchange Offer and the Common Stock Offering are consummated. The selected unaudited pro forma financial information has been derived from, and should be read in conjunction with our historical consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2009 filed with the SEC, which are incorporated by reference into this prospectus supplement.

Unaudited Pro Forma Balance Sheets

Our unaudited pro forma condensed consolidated balance sheets as of March 31, 2009 have been presented as if this offering, the Exchange Offer and the Common Stock Offering had been completed on March 31, 2009. We have shown the pro forma impact of a High Participation Scenario and a Low Participation Scenario with respect to the Exchange Offer prepared using the assumptions set forth below. In both scenarios, we have also reflected the impact of the Exchange Offer and the Common Stock Offering. The High Participation Scenario assumes the exchange of all of the Trust Preferred Securities (\$700 million aggregate liquidation amount) into Common Stock and the Low Participation Scenario assumes the exchange of 50% of the Trust Preferred Securities (\$350 million aggregate liquidation amount) into Common Stock. For the purposes of this presentation we have assumed in calculating the dilutive impact of this offering that the average VWAP per share of our Common Stock is \$8.86 for the 20 trading day period ended December 26, 2008 and \$3.92 for the 20 trading day period ended March 27, 2009.

For purposes of this presentation, we have assumed that approximately 184 million shares of our Common Stock are issued at a price of \$5.43 per share in the Common Stock Offering and that 250,000 shares of Mandatory Convertible Preferred Stock, which accrue dividends at a rate of 10.5%, are issued at a price of \$1,000 per share in this offering.

Table of Contents**REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS****HIGH PARTICIPATION SCENARIO**

	As Reported March 31, 2009	Exchange Offer Adjustments (8)	Common Stock Offering Adjustments (8) (In millions)	Mandatory Convertible Preferred Stock Offering Adjustments (8)	Pro Forma March 31, 2009
Assets					
Cash and due from banks	\$ 2,429	\$	\$	\$	\$ 2,429
Interest-bearing deposits in other banks	2,288		969(6)	242(7)	3,499
Federal funds sold and securities purchased under agreements to resell	418				418
Trading account assets	1,348				1,348
Securities available for sale	20,970				20,970
Securities held to maturity	45				45
Loans held for sale	1,956				1,956
Loans, net of unearned income	95,686				95,686
Allowance for loan losses	(1,861)				(1,861)
Net loans	93,825				93,825
Other interest-earnings assets	849				849
Premises and equipment, net	2,808				2,808
Interest receivable	426				426
Goodwill	5,551				5,551
Mortgage servicing rights	161				161
Other identifiable intangible assets	603				603
Other assets	8,303				8,303
Total assets	\$ 141,980	\$	\$ 969	\$ 242	\$ 143,191
Liabilities and Stockholders Equity					
Liabilities:					
Total deposits	\$ 93,536	\$	\$	\$	\$ 93,536
Total borrowed funds	28,115	(700)(1)			27,415
Other liabilities	3,512	91(2)			3,603
Total liabilities	125,163	(609)			124,554
Stockholders equity:					
Preferred stock	3,316			242(7)	3,558
Common stock	7	1(5)	2(6)		10
Additional paid-in capital	16,828	478(3)	967(6)		18,273
Retained earnings (deficit)	(1,913)	130(4)			(1,783)
Treasury stock, at cost	(1,415)				(1,415)
Accumulated other comprehensive (loss), net	(6)				(6)
Total stockholders equity	16,817	609	969	242	18,637
Total liabilities and stockholders equity	\$ 141,980	\$	\$ 969	\$ 242	\$ 143,191

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Total common shares outstanding	695	90(5)	184(6)	969
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- (1) Assumes 100% of the carrying amount of the Exchange Offer will be executed.
- (2) Income taxes estimated upon exchange of the Trust Preferred Securities.
- (3) Additional Paid In Capital (APIC) in respect of newly issued common stock. Assumes pricing at 70% of the liquidation amount of the Trust Preferred Securities.
- (4) Represents the after tax gain given the assumptions in note (3) above.
- (5) Assumes same exchange ratio in note (3) and a stock price of \$5.43 per share (the May 18, 2009 closing price for our Common Stock on the NYSE).
- (6) Assumes \$1.0 billion in Common Stock is issued at \$5.43 per share.
- (7) Represents proceeds and classification of Mandatory Convertible Preferred Stock.
- (8) Adjustments are reflected net of issuance costs.

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Table of Contents**REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS****LOW PARTICIPATION SCENARIO**

	As Reported March 31, 2009	Exchange Offer Adjustments (8)	Common Stock Offering Adjustments (8) (In millions)	Mandatory Convertible Preferred Stock Offering Adjustments (8)	Pro Forma March 31, 2009
Assets					
Cash and due from banks	\$ 2,429	\$	\$	\$	\$ 2,429
Interest-bearing deposits in other banks	2,288		969(6)	242(7)	3,499
Federal funds sold and securities purchased under agreements to resell	418				418
Trading account assets	1,348				1,348
Securities available for sale	20,970				20,970
Securities held to maturity	45				45
Loans held for sale	1,956				1,956
Loans, net of unearned income	95,686				95,686
Allowance for loan losses	(1,861)				(1,861)
Net loans	93,825				93,825
Other interest-earnings assets	849				849
Premises and equipment, net	2,808				2,808
Interest receivable	426				426
Goodwill	5,551				5,551
Mortgage servicing rights	161				161
Other identifiable intangible assets	603				603
Other assets	8,303				8,303
Total assets	\$ 141,980	\$	\$ 969	\$ 242	\$ 143,191
Liabilities and Stockholders Equity					
Liabilities:					
Total deposits	\$ 93,536	\$	\$	\$	\$ 93,536
Total borrowed funds	28,115	(350)(1)			27,765
Other liabilities	3,512	51(2)			3,563
Total liabilities	125,163	(299)			124,864
Stockholders equity:					
Preferred stock	3,316			242(7)	3,558
Common stock	7		2(6)		9
Additional paid-in capital	16,828	234(3)	967(6)		18,029
Retained earnings (deficit)	(1,913)	65(4)			(1,848)
Treasury stock, at cost	(1,415)				(1,415)
Accumulated other comprehensive (loss), net	(6)				(6)
Total stockholders equity	16,817	299	969	242	18,327
Total liabilities and stockholders equity	\$ 141,980	\$	\$ 969	\$ 242	\$ 143,191

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Total common shares outstanding	695	45(5)	184(6)	924
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- (1) Assumes 50% of the carrying amount of the Exchange Offer will be executed.
- (2) Income taxes estimated upon exchange of the Trust Preferred Securities.
- (3) APIC in respect of newly issued common stock. Assumes pricing at 70% of the liquidation amount of the Trust Preferred Securities.
- (4) Represents the after tax gain given the assumptions in note (3) above.
- (5) Assumes same exchange ratio in note (3) and a stock price of \$5.43 per share.
- (6) Assumes \$1.0 billion in Common Stock is issued at \$5.43 per share.
- (7) Represents proceeds and classification of Mandatory Convertible Preferred Stock.
- (8) Adjustments are reflected net of issuance costs.

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Unaudited Pro Forma Earnings Implications

The following presents the pro forma impact of the Mandatory Convertible Preferred Stock Offering, the Exchange Offer and the Common Stock Offering on certain unaudited condensed consolidated statement of operations items and earnings per share for the fiscal year ended December 31, 2008 and the three-month period ended March 31, 2009 as if this offering, the Exchange Offer and the Common Stock Offering had been completed on January 1, 2008. Earnings were not affected on a pro forma basis by the Common Stock Offering although pro forma earnings per share calculations are affected by the additional shares of Common Stock assumed to be issued in the Common Stock Offering.

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REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
HIGH PARTICIPATION SCENARIO

	Three Months Ended March 31, 2009				Twelve Months Ended December 31, 2008			
	As Reported	Exchange Offer Adjustments	Mandatory Convertible Preferred Stock Offering Adjustments	Pro Forma	As Reported	Exchange Offer Adjustments	Mandatory Convertible Preferred Stock Offering Adjustments	Pro Forma
	(In millions, except per share data)							
Net interest income	\$ 809	\$ 12(1)	\$	\$ 821	\$ 3,843	\$ 46(1)	\$	\$ 3,889
Provision for loan losses	425			425	2,057			2,057
Net interest income after provision for loan losses	384	12		396	1,786	46		1,832
Non-interest income	1,066			1,066	3,073			3,073
Non-interest expense	1,058	(210)(2)		848	10,792	(210)(2)		10,582
Income (loss) before income taxes from continuing operations	392	222		614	(5,933)	256		(5,677)
Income tax expense (benefit)	315	84		399	(348)	97		(251)
Income (loss) from continuing operations	\$ 77	\$ 138	\$	\$ 215	\$ (5,585)	\$ 159	\$	\$ (5,426)
Loss from discontinued operations					(11)			(11)
Net income (loss)	\$ 77	\$ 138	\$	\$ 215	\$ (5,596)	\$ 159	\$	\$ (5,437)
Income (loss) from continuing operations available to common shareholders	26	138	(7)(4)	157	(5,611)	159	(26)(4)	(5,478)
Net income available to common shareholders	\$ 26	\$ 138	\$ (7)	\$ 157	\$ (5,622)	\$ 159	\$ (26)	\$ (5,489)
Weighted-average number of shares outstanding:								
Basic	693	274(3)		967	695	274(3)		969
Diluted	694	274(3)	(5)	968	695	274(3)	(6)	969
Earnings (loss) per common share from continuing operations:								
Basic	\$ 0.04			\$ 0.16	\$ (8.07)			\$ (5.65)
Diluted	0.04			0.16	(8.07)			(5.65)
Earnings (loss) per common share:								
Basic	\$ 0.04			\$ 0.16	\$ (8.09)			\$ (5.66)
Diluted	0.04			0.16	(8.09)			(5.66)

(1) Represents reduction of interest expense recognized during the respective period related to the Trust Preferred Securities issuance.

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- (2) Represents the gain on extinguishment of 100% of the Trust Preferred Securities issuance.
- (3) Represents increased shares outstanding due to the \$1.0 billion common equity issuance and the exchange of 100% of the Trust Preferred Securities at 70% of the liquidation amount, both at \$5.43 per share.
- (4) Represents preferred dividends at an assumed 10.5% on the Mandatory Convertible Preferred Stock.
- (5) The dilutive impact of the Mandatory Convertible Preferred Stock is not required as the impact would be antidilutive. Had the effect been dilutive, the total dilutive shares would be 46 million, which is calculated based on the Conversion Rate resulting in the reference price of \$5.43.
- (6) Dilutive effect is not required due to the loss reported for 2008 and thus an antidilutive result. Had Regions reported income for the year ended December 31, 2008, the dilutive effect of this issuance would have been approximately 42 million shares, calculated based on the threshold appreciation price of \$5.97.

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REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
LOW PARTICIPATION SCENARIO

	Three Months Ended March 31, 2009				Twelve Months Ended December 31, 2008			
	As Reported	Exchange Offer Adjustments	Mandatory Convertible Preferred Stock Offering Adjustments	Pro Forma	As Reported	Exchange Offer Adjustments	Mandatory Convertible Preferred Stock Offering Adjustments	Pro Forma
	(In millions, except per share data)							
Net interest income	\$ 809	\$ 6(1)	\$	\$ 815	\$ 3,843	\$ 23(1)	\$	\$ 3,866
Provision for loan losses	425			425	2,057			2,057
Net interest income after provision for loan losses	384	6		390	1,786	23		1,809
Non-interest income	1,066			1,066	3,073			3,073
Non-interest expense	1,058	(105)(2)		953	10,792	(105)(2)		10,687
Income (loss) before income taxes from continuing operations	392	111		503	(5,933)	128		(5,805)
Income tax expense (benefit)	315	42		357	(348)	49		(299)
Income (loss) from continuing operations	\$ 77	\$ 69	\$	\$ 146	\$ (5,585)	\$ 79	\$	\$ (5,506)
Loss from discontinued operations					(11)			(11)
Net income (loss)	\$ 77	\$ 69	\$	\$ 146	\$ (5,596)	\$ 79	\$	\$ (5,517)
Income (loss) from continuing operations available to common shareholders	26	69	(7)(4)	88	(5,611)	79	(26)(4)	(5,558)
Net income available to common shareholders	\$ 26	\$ 69	\$ (7)	\$ 88	\$ (5,622)	\$ 79	\$ (26)	\$ (5,569)
Weighted-average number of shares outstanding:								
Basic	693	229(3)		922	695	229(3)		924
Diluted	694	229(3)	(5)	923	695	229(3)	(6)	924
Earnings (loss) per common share from continuing operations:								
Basic	\$ 0.04			\$ 0.10	\$ (8.07)			\$ (6.02)
Diluted	0.04			0.10	(8.07)			(6.02)
Earnings (loss) per common share:								
Basic	\$ 0.04			\$ 0.10	\$ (8.09)			\$ (6.03)
Diluted	0.04			0.10	(8.09)			(6.03)

(1) Represents reduction of interest expense recognized during the respective period related to the Trust Preferred Securities issuance.

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- (2) Represents the gain on extinguishment of 50% of the Trust Preferred Securities issuance.
- (3) Represents increased shares outstanding due to the \$1.0 billion common equity issuance and the exchange of 50% of the Trust Preferred Securities at 70% of the liquidation amount, both at \$5.43 per share.
- (4) Represents preferred dividends at an assumed 10.5% on the Mandatory Convertible Preferred Stock.
- (5) The dilutive impact of the Mandatory Convertible Preferred Stock is not required as the impact would be antidilutive. Had the effect been dilutive, the total dilutive shares would be 46 million, which is calculated based on the Conversion Rate resulting in the reference price of \$5.43.
- (6) Dilutive effect is not required due to the loss reported for 2008 and thus an antidilutive result. Had Regions reported income for the year ended December 31, 2008, the dilutive effect of this issuance would have been approximately 42 million shares, calculated based on the threshold appreciation price of \$5.97.

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Table of Contents**USE OF PROCEEDS**

We expect to receive net proceeds from this offering of approximately \$ (or approximately \$ if the underwriters exercise their option to purchase additional shares of Mandatory Convertible Preferred Stock in full), after deduction of underwriting discounts and commissions and estimated expenses payable by us. We expect to use the net proceeds from the sale of our Mandatory Convertible Preferred Stock for general corporate purposes.

RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED DIVIDENDS

Our consolidated ratios of earnings to combined fixed charges and preferred dividends (from continuing operations) for the three months ended March 31, 2009 and 2008 and for each of the five fiscal years ended December 31, 2008, 2007, 2006, 2005 and 2004 are as follows:

	Three Months Ended			Year Ended December 31			
	March 31		2008	2007	2006	2005	2004
	2009	2008	2008	2007	2006	2005	2004
Ratio of Earnings to Combined Fixed Charges and Preferred Dividends (1):							
Excluding interest on deposits	2.25x	2.78x	(4.48)x	2.89x	3.86x	3.64x	4.06x
Including interest on deposits	1.53	1.63	(1.12)	1.54	1.84	1.89	2.30

- (1) For purposes of computing the ratio of earnings to combined fixed charges and preferred dividends, earnings as adjusted consists of income before income taxes plus fixed charges. Fixed charges, excluding interest on deposits, consists of interest expense on short-term and long-term borrowings, amortization of deferred debt costs, and the estimated interest portion of rent expense. Preferred dividends consist of dividends on our Series A Preferred Stock for the three months ended March 31, 2009 and for the year ended December 31, 2008.

Table of Contents**CAPITALIZATION**

The following tables set forth the carrying amount of our capitalization, as of March 31, 2009, on an actual basis and on the pro forma basis described in Unaudited Pro Forma Financial Information to reflect: (i) completion of this offering, (ii) completion of the concurrent Exchange Offer under both the High and Low Participation Scenarios and (iii) completion of the concurrent Common Stock Offering. These tables should be read in conjunction with the information set forth under Unaudited Pro Forma Financial Information and our unaudited consolidated financial statements set forth in our Quarterly Report on Form 10-Q/A for the three months ended March 31, 2009, which are incorporated by reference into this document.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES**CONDENSED CAPITALIZATION TABLE****HIGH PARTICIPATION SCENARIO**

	As of March 31, 2009				
	Actual	Exchange Offer Adjustments	Common Stock Offering Adjustments (In millions)	Mandatory Convertible Preferred Stock Offering Adjustments	Pro Forma
Long-term debt:					
Senior Notes	\$ 4,846	\$	\$	\$	\$ 4,846
Subordinated Notes	5,309	(700)			4,609
Federal Home Loan Bank structured advances	1,601				1,601
Other Federal Home Loan Bank advances	6,218				6,218
Other long-term debt	474				474
Valuation adjustments on hedged long-term debt	314				314
Total long-term debt	\$ 18,762	\$ (700)	\$	\$	\$ 18,062
Stockholders equity					
Preferred stock	\$ 3,316			\$ 242	\$ 3,558
Common stock	7	1	2		10
Additional paid-in capital	16,828	478	967		18,273
Retained earnings (deficit)	(1,913)	130			(1,783)
Treasury stock, at cost	(1,415)				(1,415)
Accumulated other comprehensive income (loss), net	(6)				(6)