COMERICA INC /NEW/
Form FWP
March 08, 2010

Comerica Incorporated
Common Stock
Offering
March 8, 2010
Ralph Babb

Chief Executive Officer
Beth Acton
Chief Financial Officer
John Killian
Chief Credit Officer
Filed Pursuant to Rule 433
Registration No. 333-163220

2
Safe Harbor Statement
Any statements in this presentation that are not historical facts are forward-looking statements as defined in the Private Securit
Litigation Reform Act of 1995. Words such as "anticipates," "believes," "feels," "expects," "estimates," "seeks," "strives," "pla
"intends," "outlook," "forecast," "position," "target," "mission," "assume," "achievable," "potential," "strategy," "goal," "aspira
"outcome," "continue," "remain," "maintain," "trend," "objective" and variations of such words and similar expressions, or futu
conditional verbs such as "will," "would," "should," "could," "might," "can," "may" or similar expressions, as they relate to Co

or its management, are intended to identify forward-looking statements. These forward-looking statements are predicated on th
beliefs and assumptions of Comerica s management based on information known to Comerica s management as of the date o
presentation and do not purport to speak as of any other date. Forward-looking statements may include descriptions of plans an
objectives of Comerica s management for future or past operations, products or services, and forecasts of Comerica s revenue
earnings or other measures of economic performance, including statements of profitability, business segments and subsidiaries
estimates of credit trends and global stability. Such statements reflect the view of Comerica s management as of this date with respect to future events and are subject to risks and uncertainties. Should one or more of these risks materialize or should underlying beliefs or assumptions prove incorrect, Comerica s actual results could differ materially from those discussed. Fac
that could cause or contribute to such differences are further economic downturns, changes in the pace of an economic recover
and related changes in employment levels, changes in real estate values, fuel prices, energy costs or other events that could affect customer income levels or general economic conditions, changes related to the headquarters relocation or to its underlying assumptions, the effects of recently enacted legislation, actions taken by or proposed by the U.S. Department of Treasury, the Board of Governors of the Federal Reserve System, the Texas Department of Banking and the Federal Deposit Insurance Corporation or other governmental entities, legislation enacted in the future, and the expiration of such legislation and regulato
actions, the effects of war and other armed conflicts or acts of terrorism, the effects of

natural disasters including, but not limited to, hurricanes, tornadoes, earthquakes, fires, droughts and floods, the disruption of private or public utilities, the implementation of Comerica s strategies and business models, management s ability to maintain and expand customer relationships, changes in customer borrowing, repayment, investment and deposit practices, management s ability to retain key officers and employees, changes in the accounting treatment of any particular item, the impact of regulatory examinations, declines or other changes in businesses or industries in which Comerica has a concentration of loans, including, but not limited to, the automotive productio industry and the real estate business lines, the anticipated performance of any new banking centers, the entry of new competito Comerica s markets, changes in the level of fee income, changes in applicable laws and regulations, including those concernin taxes, banking, securities and insurance, changes in trade, monetary and fiscal policies, including the interest rate policies of th Board of Governors of the Federal Reserve System, fluctuations in inflation or interest rates, changes in general economic, pol or industry conditions and related credit and market conditions, the interdependence of financial service companies and adverse conditions in the stock market. Comerica cautions that the foregoing list of factors is not exclusive. For discussion of factors that may cause actual results to differ from expectations, please refer to our filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made. Comerica does not undertake to update forward-looking statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are

made. For any forward-looking statements made in this presentation or in any documents, Comerica claims the protection of th
safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

3
Common Stock Offering Summary
Issuer
Offering size
Over-allotment option
Stock price (3/5/2010)
Shares outstanding (pre-offering as of 2/22/10)

Market capitalization (3/5/2010)
Use of proceeds
Sole bookrunner
Lock-up agreement
Expected pricing
$800 million
10%
$36.74
151,174,236
$5,554 million
General corporate purposes including Capital Purchase
Program redemption, subject to regulatory approval
J.P. Morgan
Pre-market open March 9, 2010
90 days for CMA, 60 days for executives & directors
Comerica Incorporated (NYSE: CMA)

4
Investment Highlights
Differentiated business strategy

Three interrelated businesses with ample cross-selling opportunities

Focused on growing and maintaining long-term relationships

Wide array of products and services with community bank feel
Solid capital base and liquidity position

Strong
capital
ratios;
Proforma
(12/31/09)
for
capital
raise
and
preferred
redemption
Tier
1
Common
of 9.3%
1

High quality and liquid investment portfolio
Proactive credit management

Broad-based improvement in fourth quarter credit metrics

Consistent credit standards and exposure limits

Relationship banking strategy: originate and hold

Credit metrics compare favorably to peers
Well positioned for growth

Strong deposit growth in core non-interest bearing deposits

Asset sensitive balance sheet

Banking center expansion in high growth markets
Disciplined expense management

Full-year 2009 noninterest expenses decreased 6% over 2008
Experienced management team
Main Street Bank
1
See Supplemental Financial Data for reconcilements of Comerica s non-GAAP financial measures

5

Comerica: A Brief Overview

Among the top 25 U.S. bank holding companies

Largest bank with corporate headquarters in Texas

$59 billion in assets

Founded over 160 years ago

Major lines of business:

Major markets include:
Continued investments in growth markets
Strong capital position

California

Arizona

Michigan

Texas

Florida
At December 31, 2009

Business Bank

Retail Bank

Wealth & Institutional Management

6
Our Core Businesses
Business Bank
Wide spectrum of credit and non-credit
financial products, cash management
and international trade services
Retail Bank

Personalized financial products and
services to consumers and small
businesses
Wealth & Institutional
Management
Serves the needs of affluent clients,
foundations, organizations and
corporations
2009 Revenues
By Business Segment
1
2009 Average Loan Balances
By Business Segment
Business
Bank
$35.4B
77%
Retail Bank
$6.0B
13%
Wealth &
Institutional
Management
$4.8B
10%
Business
Bank
$1,619MM
Retail
Bank
$700MM
Wealth &
Institutional
Management
$430MM
At December 31, 2009
1
2009 Revenues by Business Segment excludes Finance/Other ($124MM).

7
Robust Capital Position
Proforma
Capital Raise &
Preferred
Redemption
As Reported

14.54%
16.93%
Total Capital
10.07%
12.46%
Tier 1 Capital
9.27%
8.18%
Tier 1 Common
9.36%
7.99%
TCE/TA
12/31/09
12/31/09
Note: Assumes net proceeds on $800MM common equity issuance and $99MM discount amortization related to intended TAR
preferred redemption; does not include impact of repurchase of related TARP warrant.
See Supplemental Financial Data for reconcilements of Comerica s non-GAAP financial measures

8
0%
2%
4%
6%
8%
10%

12%
4Q08
1Q09
2Q09
3Q09
4Q09
Strong Capital Ratios
Source: SNL Financial; 4Q2009 TCE / TA excludes PNC as that figure was not reported
Peer Group: BBT, FITB, HBAN, KEY, MI, MTB, PNC, RF, STI, USB, ZION
See Supplemental Financial Data for reconcilements of Comerica s non-GAAP financial measures
Tier I Common
0%
2%
4%
6%
8%
10%
12%
4Q08
1Q09
2Q09
3Q09
4Q09
TCE / TA
Peer Median
Comerica
Comerica Proforma

9
Other
Markets
$3.5B 8%
Int'l
$1.7B 4%
Florida

$1.6B 4%
Midwest
$15.8B 37%
Western
$13.3B 31%
Texas
$6.9B 16%
Diverse Loan Portfolio
1
Specialty Businesses includes: Entertainment, Energy, Financial Services Division, Leasing, Technology and Life Sciences, and Mortgage Banker Finance
Geography based on office of origination; Midwest: MI, OH, IL; Western: CA, AZ, NV, CO, WA; Other Markets include mar
not separately
identified
above
in
addition
to
businesses
with
a
national
perspective
Average 4Q09: $42.8 billion
Global Corp
Banking
$5.2B 12%
Commercial
Real Estate
$5.7B 13%
Middle
Market
$13.2B 31%
Nat'l Dealer
Services
$3.1B 7%
Specialty
Businesses
1
$5.1B 12%
Personal
Banking
$2.0B 5%
Small
Business
Banking
$3.8B 9%
Private
Banking
$4.7B 11%

10
Fourth Quarter 2009 Credit Quality
Net charge-offs declined from 3Q09, as expected

Commercial real estate charge-offs declined $29MM from 3Q09
Nonperforming assets declined by $13MM
Inflow to nonaccrual slowed by $95MM

Loans past due 90 days or more and still accruing decreased by $60MM
Watch list loans decreased $520MM
Provision for credit losses declined by $54MM
Allowance for credit losses to total loans increased to 2.34%
Expect net charge-offs between $775MM and $825MM in 2010, a modest improvement over 2009
Net charge-off and nonperforming asset metrics continue to be better than peer averages
Average carrying value of 56% (44% write-down) on nonaccrual loans reflects current appraisals
Analysis of 4Q09 compared to 3Q09.
1
Based on analysis of nonaccrual loans with book balances greater than $2mm
2
Watch list: generally consistent with regulatory defined special mention, substandard and doubtful loans
3
This outlook is provided as of February 25, 2010
1
3
2
Broad-based improvement in credit metrics

11
Credit Metrics Compare Favorably
1.0%
1.7%
1.7%
2.5%
3.2%

2.9%
1.3%
2.1%
2.1%
2.1%
0.00%
1.00%
2.00%
3.00%
4.00%
4Q08
1Q09
2Q09
3Q09
4Q09
Source: SNL Financial
NPA: Nonperforming Assets; OREO: Other Real Estate Owned; NCO: Net Charge-offs
Peer Group: BBT, FITB, HBAN, KEY, MI, MTB, PNC, RF, STI, USB, ZION
NCOs / Average Loans
55%
59%
64%
68%
85%
72%
76%
73%
76%
78%
0%
20%
40%
60%
80%
100%
4Q08
1Q09
2Q09
3Q09
4Q09
Reserves / NPAs
1.5%
4.2%
3.9%
2.9%
2.1%
1.5%
1.6%
2.2%
1.9%

2.2%
0%
1%
2%
3%
4%
5%
4Q08
1Q09
2Q09
3Q09
4Q09
NPAs / Total Assets
6.2%
5.5%
4.2%
3.0%
2.1%
1.9%
2.2%
2.6%
3.0%
3.1%
0%
2%
4%
6%
8%
4Q08
1Q09
2Q09
3Q09
4Q09
NPAs / Loans + OREO
Comerica
Peer Median

12

Key Credit Differentiators

Did not loosen credit standards at peak of cycle

Conservative exposure thresholds

Long tenured relationships

88% of portfolio is secured

1
Personal guarantees are customary for bulk of portfolio
Proactive problem resolution and restructuring
Quarterly Credit Quality Reviews
Portfolio migration closely monitored
Established Special Handling Group as a precursor to Special Asset Group
Tightened lending standards:

Energy

Technology and Life Sciences

Home equity
Curtailed exposure to certain industry segments:

Automotive supplier

Commercial and Residential Construction

SBA Franchise lending
Comerica followed its credit policies
making enhancements to adapt to the changing economy
1
At December 31, 2009

13

Growing

Core Deposits

4Q09 average core deposits of $36.7B,
a $935MM or 3% increase

Avg. noninterest-bearing deposits

grew $1.2B or 9%

Money market and NOW deposits
increased $1.0B
Investing in deposit rich segments:

Small Business

Financial Services Division (FSD)

Health Care

Wealth Management

Municipalities
Investing in deposit rich products:

Government Card Programs

Remote Deposit Capture
Average Noninterest-Bearing Deposits
$ in billions; 4Q09 vs 3Q09
1
Core
deposits
exclude
Institutional
CDs,
Retail
Brokered
CDs
and
foreign
office
time
deposits
$3
$6
$9
$12
$15
Non FSD
FSD
1

14
2.53%
2.73%
2.68%
2.94%
0.13%
0.08%

0.08%
0.16%
2.81%
2.61%
3.07%
2.84%
2.00%
2.25%
2.50%
2.75%
3.00%
3.25%
1Q09
2Q09
3Q09
4Q09
2010
Forecast
Reported Net Interest Margin
Impact of Excess Liquidity
Net Interest Margin Expanding
4Q09 net interest margin of
2.94% reflected:
+ Higher-cost time deposits matured
+ Noninterest-bearing deposit growth
+ Loan spread improvement
+ Lower excess liquidity
Average Excess liquidity position of
$2.5B resulted from strong deposit
growth and weak loan demand
2010
Outlook
of
3.15-3.25%
Based on no increase in the
Federal Funds rate
Continued improvement in loan
pricing, lower funding costs and a
lower level of excess liquidity
Excess liquidity represented by deposits held at the Federal Reserve Bank.
1
This outlook is provided as of February 25, 2010.
1

15
A Leaner, More Efficient Company
Workforce reduced by about
850 Positions or 8%
(12/31/09 vs. 12/31/08)
Period-end figures
1

This outlook is provided as of February 25, 2010.
2010 noninterest expense:
Expect low single-digit decrease
compared
to
full-year
2009
1
Workforce reductions in 2009 will
benefit 2010
Workforce reduction of 300 positions
to be completed mid-year 2010
(severance expense taken in 4Q09)
Expect reduced
Defined benefit pension expense
FDIC expense
Continue to tightly control
discretionary expenses
6,000
8,000
10,000
12,000
200
250
300
350
400
450
Full-time Equivalent Employees
Banking Centers

16
2010
Full-Year
Outlook
Low single-digit period-end loan growth

Loan demand to lag economic recovery by several quarters

Investment securities portfolio to remain at year-end 2009 level
Net interest margin between 3.15% and 3.25%

Based on no increase in the Federal Funds rate

Continued improvement in loan pricing, lower funding costs and a lower level of excess liquidity
Net credit-related charge-offs between $775MM and $825MM

Provision for credit losses to be slightly in excess of net charge-offs
Noninterest income flat, excluding $243MM of 2009 net securities gains
Noninterest expenses, low single-digit decrease

Workforce reductions in 2009 will benefit 2010

Expect reduced pension, FDIC and ORE expenses
Income tax expense
to approximate 35% of pre-tax income less approximately
$60 million in annual tax benefits
This outlook is provided as of February 25, 2010
Expectations based on a modestly improving economic environment

17
Normal
Operating Leverage
Tight control of
expenses
Path to Normalized Returns
Fee Income

increases with
economic & market
activity
Lower credit
provision
Risks: Regulatory Costs
Opportunities:
Re-accelerate banking center expansion
Further leverage Texas headquarters
Cross-sell WIM, Retail with Business Bank
NIM Expansion
Increased
Loan
Spreads
Asset Sensitivity
Loan Growth
Middle Market
Small Business
CA & TX
Today

18
Comerica: Poised for the Future
Consistent strategy

Based on relationship banking model

Major lines of business:

Commercial Banking

Wealth & Institutional Management

Retail Banking
Solid capital position and strong liquidity
Dedicated workforce
Investing to accelerate growth and balance

Banking center expansion in high growth markets

New and enhanced products and services
Main Street Bank

19
Appendix

20
Supplemental Financial Data
The Corporation believes these measurements are meaningful measures of capital adequacy and used by investors, regulators, a
others to evaluate the adequacy of common equity and to compare against other companies in the industry.
1
Tier 1 capital and risk-weighted assets as defined by regulation
7.99%

$59,091
$59,249
150
8
$4,720
$7,029
2,151
150
8
5,058
61,815
8.18%
$7,704
2,151
495
$10,468
12/31/09
$10,774
$10,773
$10,724
$10,638
Total Regulatory Capital
7.21%
$67,386
$67,548
150
12
$4,861
$7,152
2,129
150
12
5,181
73,207
7.08%
$7,805
2,129
495
12/31/08
7.96%
$59,432
$59,590
150
8
$4,732
$7,035
2,145
150
8
5,095

63,355
8.04%
$7,735
2,145
495
9/30/09
7.55%
$63,470
$63,630
150
10
$4,793
$7,093
2,140
150
10
5,139
67,124
7.66%
$7,774
2,140
495
6/30/09
7.27%
$67,209
$67,370
150
11
$4,888
$7,183
2,134
150
11
5,131
70,135
7.32%
$7,760
2,134
495
3/31/09
Total shareholders
equity
Less: Fixed rate cumulative perpetual preferred stock
Less: Goodwill
Less: Other intangible assets
Reconciliation of non-GAAP financial measures with
financial measures defined by GAAP ($ in millions)
Tangible common equity ratio
Total assets
Less: Goodwill

Less: Other intangible assets
Tangible common equity
Tier
1
capital
1
Less: Fixed rate cumulative perpetual preferred stock
Less: Trust preferred securities
Tangible assets
Tier 1 common capital
Risk-weighted
assets
1
Tier 1 common capital ratio

21
Supplemental Financial Data
The Corporation believes these measurements are meaningful measures of capital adequacy and used by investors, regulators, a
others to evaluate the adequacy of common equity and to compare against other companies in the industry.
TCE/TA: Tangible Common Equity to Tangible Assets
Tier 1 capital and risk-weighted assets as defined by regulation
150

8
150
8
Goodwill
Other Intangibles
57,771
61,815
59,249
61,815
Total Assets
Risk-Weighted Assets
5,393
57,613
4,720
59,091
Tangible Common Equity
Tangible Assets
158
158
Intangible Assets
9.36%
9.27%
10.07%
14.54%
7.99%
8.18%
12.46%
16.93%
TCE / TA
Tier 1 Common
Tier 1 Capital
Total Capital
5,731
6,226
5,058
7,704
Tier 1 common
Tier 1 capital
8,990
10,468
Total Capital
7,029
$4,878
2,151
As Reported
12/31/09
$5,551
0
Common Equity
Preferred Equity

5,551
Proforma Capital Raise &
Preferred Redemption
12/31/09
Total Equity

22
Comerica Incorporated
Comerica Incorporated has filed a registration statement (including a prospectus) (File No. 333-163220) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents Comerica has filed with the SEC

for more complete information about Comerica and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, copies of the prospectus may be obtained from J.P. Morgan Securities Inc. toll free at (866) 430-0686.