

STERLING BANCSHARES INC
Form 425
July 19, 2011

Filed by Comerica Incorporated

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Sterling Bancshares, Inc.

(Commission File No. 1-34768)

The following document is filed herewith pursuant to Rule 425 under the Securities Act of 1933:

- Press Release of Comerica Incorporated dated July 19, 2011

Any statements in this filing that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as anticipates, believes, feels, expects, estimates, seeks, strives, plans, intends, outlook, forecast, mission, assume, achievable, potential, strategy, goal, aspiration, opportunity, initiative, outcome, continue, remain, m pending, looks forward and variations of such words and similar expressions, or future or conditional verbs such as will, would, should, co might, can, may or similar expressions, as they relate to Comerica or its management, are intended to identify forward-looking statements. These forward-looking statements are predicated on the beliefs and assumptions of Comerica's management based on information known to Comerica's management as of the date of this filing and do not purport to speak as of any other date. Forward-looking statements may include descriptions of plans and 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. Factors that could cause or contribute to such differences are changes in general economic, political or industry conditions and related credit and market conditions; changes in trade, monetary and fiscal policies, including the interest rate policies of the Federal Reserve Board; adverse conditions in the capital markets; the interdependence of financial service companies; changes in regulation or oversight, including the effects of recently enacted legislation, actions taken by or proposed by the U.S. Treasury, the Board of Governors of the Federal Reserve System, the Texas Department of Banking and the Federal Deposit Insurance Corporation, legislation or regulations enacted in the future, and the impact and expiration of such legislation and regulatory actions; unfavorable developments concerning credit quality; the proposed acquisition of Sterling Bancshares, Inc. (Sterling), or any future acquisitions; the effects of more stringent capital or liquidity requirements; declines or other changes in the businesses or industries in which Comerica has a concentration of loans, including, but not limited to, the automotive production industry and the real estate business lines; the implementation of Comerica's strategies and business models, including the anticipated performance of any new banking centers; Comerica's ability to utilize technology to efficiently and effectively develop, market and deliver new products and services; operational difficulties or information security problems; changes in the financial markets, including fluctuations in interest rates and their impact on deposit pricing; the entry of new competitors in Comerica's markets; changes in customer borrowing, repayment, investment and deposit practices; management's ability to maintain and expand customer relationships; management's ability to retain key officers and employees; the impact of legal and regulatory proceedings; the effectiveness of methods of reducing risk exposures; the effects of war and other armed conflicts or acts of terrorism and the effects of catastrophic events including, but not limited to, hurricanes, tornadoes, earthquakes, fires, droughts and floods. 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 (SEC). In particular, please refer to Item 1A. Risk Factors beginning on page 16 of Comerica's Annual Report on Form 10-K for the year ended December 31, 2010. 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 filing or in any documents, Comerica claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

In connection with the proposed merger transaction, Comerica has filed with the SEC a Registration Statement on Form S-4 that includes a Proxy Statement of Sterling and a Prospectus of Comerica, and Sterling mailed the definitive Proxy Statement/Prospectus to its shareholders on or about April 6, 2011. Each of Comerica and Sterling may file other relevant documents concerning the proposed transaction.

SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE DEFINITIVE PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY CONTAIN IMPORTANT INFORMATION.

A free copy of the definitive Proxy Statement/Prospectus, as well as other filings containing information about Comerica and Sterling, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You may be able to obtain these documents, free of charge, from Comerica at www.comerica.com under the tab "Investor Relations" and then under the heading "SEC Filings" or from Sterling by accessing Sterling's website at www.banksterling.com under the tab "Investor Relations" and then under the heading "SEC Filings".

COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION**Commercial Loan Growth Driven by Middle Market, Global Corporate Banking
and Specialty Businesses****Pending Acquisition of Sterling Bancshares, Inc. (Sterling) Expected to Close July 28, 2011**

DALLAS/July 19, 2011 Comerica Incorporated (NYSE: CMA) today reported second quarter 2011 net income of \$96 million, a decrease of \$7 million compared to \$103 million for the first quarter 2011, primarily due to the impact of a federal income tax settlement. Second quarter 2011 also included \$5 million of costs incurred in connection with the pending acquisition of Sterling.

| (dollar amounts in millions, except per share data) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--|-------------------|-------------------|-------------------|
| Net interest income | \$ 391 | \$ 395 | \$ 422 |
| Provision for loan losses | 47 | 49 | 126 |
| Noninterest income | 202 | 207 | 194 |
| Noninterest expenses | 409 | 415 | 397 |
| Provision for income taxes | 41 | 35 | 23 |
| Net income | 96 | 103 | 70 |
| Net income attributable to common shares | 95 | 102 | 69 |
| Diluted income per common share | 0.53 | 0.57 | 0.39 |
| Tier 1 capital ratio | 10.53%(a) | 10.35% | 10.64% |
| Tangible common equity ratio (b) | 10.90 | 10.43 | 10.11 |
| Net interest margin | 3.14 | 3.25 | 3.28 |

(a) June 30, 2011 ratio is estimated.

(b) See Reconciliation of Non-GAAP Financial Measures.

Total average loans were down one percent and period-end loans were up modestly from March 31, 2011. We were pleased to see commercial loan growth in the second quarter, driven primarily by increases in Middle Market, Global Corporate Banking and Specialty Businesses, partially offset by a decrease in floor plan loans in National Dealer Services, said Ralph W. Babb Jr., chairman and chief executive officer.

Commercial Real Estate declined, offsetting the commercial loan growth. We expect the pace of decline in Commercial Real Estate to lessen in the second half of 2011 and National Dealer Services to rebound in the fourth quarter. Our core deposits continued to increase in the second

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quarter, which led to higher excess liquidity and a lower net interest margin. Credit quality continued to improve and expenses were well controlled.

We are excited about our pending acquisition of Sterling Bancshares, Inc., a strategically compelling transaction that significantly boosts our presence in the growing state of Texas. Following the expiration of the required 15-day Department of Justice waiting period associated with the Federal Reserve Board's approval order, we expect the acquisition will close on July 28, 2011. Sterling's solid deposit base and well located branch network are expected to triple our Houston market share, provide us entry into the attractive San Antonio and Kerrville regions and complement our existing footprint in the Dallas-Fort Worth area. In short, it is a unique opportunity that provides us enhanced growth opportunities going forward.

The Sterling integration plans remain on track. We expect a smooth transition, given the size of the acquisition and our in-depth knowledge of the Texas market. We look forward to welcoming Sterling customers and employees to Comerica as we begin this new chapter in our Texas banking history.

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COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 2***Second Quarter 2011 Highlights Compared to First Quarter 2011***

- Average loans increased in the Middle Market (\$160 million; one percent), Global Corporate Banking (\$136 million; 3 percent), and Specialty Businesses (\$62 million; one percent) business lines. These increases were more than offset by decreases in the Commercial Real Estate (\$393 million; 9 percent) and National Dealer Services (\$194 million; 5 percent) business lines, resulting in a decrease in average total loans of \$377 million, or one percent. Period-end loans increased \$17 million from March 31, 2011 to June 30, 2011.
- Average core deposits increased \$881 million in the second quarter 2011, with increases in all major markets, led by the Texas market.
- The net interest margin of 3.14 percent decreased 11 basis points compared to the first quarter 2011, primarily resulting from an increase in excess liquidity (represented by average balances deposited with the Federal Reserve Bank), and a decrease in loan pricing based on a decrease in LIBOR.
- Average earning assets increased \$789 million in the second quarter 2011.
- Credit quality improvement continued in the second quarter 2011. Net credit-related charge-offs decreased \$11 million to \$90 million. Internal watch list loans declined \$339 million to \$4.8 billion and nonperforming assets decreased \$60 million.
- Noninterest expenses decreased \$6 million to \$409 million in the second quarter 2011, compared to the first quarter 2011. Noninterest expenses included \$5 million of costs incurred in connection with the pending Sterling acquisition in the second quarter 2011, which were more than offset by declines in numerous noninterest expense categories.
- The second quarter 2011 provision for income taxes included net after-tax charges of \$8 million, which primarily reflected a \$19 million charge related to a final settlement agreement with the Internal Revenue Service (IRS) involving repatriation of foreign earnings on a structured investment transaction, partially offset by a release of tax reserves of \$9 million resulting from Comerica's planned participation in a recently enacted State of California voluntary compliance initiative. Comerica has no other investment structures with uncertain tax positions.
- The estimated Tier 1 capital ratio increased 18 basis points, to 10.53 percent at June 30, 2011, from March 31, 2011.

Net Interest Income and Net Interest Margin

| (dollar amounts in millions) | 2nd Qtr 11 | | 1st Qtr 11 | | 2nd Qtr 10 | |
|--|------------|--------|------------|--------|------------|--------|
| Net interest income | \$ | 391 | \$ | 395 | \$ | 422 |
| Net interest margin | | 3.14% | | 3.25% | | 3.28% |
| Selected average balances: | | | | | | |
| Total earning assets | \$ | 50,136 | \$ | 49,347 | \$ | 51,835 |
| Total investment securities | | 7,407 | | 7,311 | | 7,262 |
| Federal Reserve Bank deposits (excess liquidity) (a) | | 3,382 | | 2,297 | | 3,719 |
| Total loans | | 39,174 | | 39,551 | | 40,672 |

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| | | | |
|------------------------------------|--------|--------|--------|
| Total core deposits (b) | 41,067 | 40,186 | 38,928 |
| Total noninterest-bearing deposits | 15,786 | 15,459 | 15,218 |

(a) See Reconciliation of Non-GAAP Financial Measures.

(b) Core deposits exclude other time deposits and foreign office time deposits.

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- The \$4 million decrease in net interest income in the second quarter 2011, when compared to the first quarter 2011, resulted primarily from a decline in the net interest margin, the first quarter 2011 maturities of interest rate swaps at positive spreads and a decrease in average loans, partially offset by one more day in the quarter.
- The net interest margin of 3.14 percent declined 11 basis points compared to the first quarter 2011. The decline in the net interest margin primarily reflected the impact of an increase in excess liquidity (7 basis points), a decrease in loan pricing based on a decrease in LIBOR, and the first quarter 2011 maturities of interest rate swaps at positive spreads.
- Average earning assets increased \$789 million, primarily due to increases of \$1.1 billion in excess liquidity and \$96 million in average investment securities available-for-sale, partially offset by a \$377 million decrease in average loans.
- Second quarter 2011 average core deposits increased \$881 million compared to first quarter 2011, primarily reflecting increases in money market and NOW deposits (\$410 million), noninterest-bearing deposits (\$327 million) and customer certificates of deposit (\$100 million).

Noninterest Income

Noninterest income was \$202 million for the second quarter 2011, compared to \$207 million for the first quarter 2011. The \$5 million decrease primarily resulted from a decrease in deferred compensation asset returns (\$3 million) (offset by a decrease in deferred compensation plan costs in noninterest expense).

Noninterest Expenses

Noninterest expenses totaled \$409 million in the second quarter 2011, a decrease of \$6 million from the first quarter 2011. The decrease in noninterest expenses was primarily due to decreases in salaries expense (\$3 million), FDIC insurance expense (\$3 million), software expense (\$3 million) and other real estate expense (\$2 million), partially offset by certain pre-integration and transaction costs incurred in connection with the pending Sterling acquisition (\$5 million).

Provision for Income Taxes

The second quarter 2011 provision for income taxes included net after-tax charges of \$8 million, which primarily reflected a \$19 million charge related to a final settlement agreement with the IRS involving repatriation of foreign earnings on a structured investment transaction, partially offset by a release of tax reserves of \$9 million resulting from Comerica's planned participation in a recently enacted State of California voluntary compliance initiative.

Credit Quality

Broad-based, steady improvement in credit quality continued in the second quarter, said Babb. This was the eighth consecutive quarter of decline in net charge offs, with an \$11 million decrease. We had strong recoveries of \$35 million in the second quarter, up from \$22 million in the first quarter. Credit quality migration remains positive, as demonstrated by the \$339 million decline in watch list loans, which provide our best early indicator of future credit quality, as well as the \$60 million decline in nonperforming assets. As a result of these overall improvements to our credit metrics, the provision for loan losses decreased to \$47 million. Also, of note, the results of the recently received Shared National

Credit Exam are reflected in our second quarter credit metrics.

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- Net credit-related charge-offs decreased \$11 million to \$90 million in the second quarter 2011, from \$101 million in the first quarter 2011. The decrease in net credit-related charge-offs primarily reflected a decrease of \$22 million in the Middle Market business line, partially offset by an increase of \$9 million in the Private Banking business line.
- Internal watch list loans declined \$339 million to \$4.8 billion from March 31, 2011 to June 30, 2011.
- During the second quarter 2011, \$163 million of loan relationships greater than \$2 million were transferred to nonaccrual status, a decrease of \$3 million from the first quarter 2011. Of the transfers of loan relationships greater than \$2 million to nonaccrual in the second quarter 2011, \$76 million were from the Middle Market business line, primarily in the Midwest and Western markets, and \$29 million were from the Commercial Real Estate business line, distributed across the Florida, Western and Other markets.
- Nonperforming assets decreased \$60 million, compared to March 31, 2011, to \$1.0 billion, or 2.66 percent of total loans and foreclosed property, at June 30, 2011.
- The allowance for loan losses to total loans ratio was 2.06 percent and 2.17 percent at June 30, 2011 and March 31, 2011, respectively.

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--|------------|------------|------------|
| Net credit-related charge-offs | \$ 90 | \$ 101 | \$ 146 |
| Net credit-related charge-offs/Average total loans | 0.92% | 1.03% | 1.44% |
| Provision for loan losses | \$ 47 | \$ 49 | \$ 126 |
| Provision for credit losses on lending-related commitments | (2) | (3) | |
| Total provision for credit losses | 45 | 46 | 126 |
| Nonperforming loans | 974 | 1,030 | 1,121 |
| Nonperforming assets (NPAs) | 1,044 | 1,104 | 1,214 |
| NPAs/Total loans and foreclosed property | 2.66% | 2.81% | 2.98% |
| Loans past due 90 days or more and still accruing | \$ 64 | \$ 72 | \$ 115 |
| Allowance for loan losses | 806 | 849 | 967 |
| Allowance for credit losses on lending-related commitments (a) | 30 | 32 | 44 |
| Total allowance for credit losses | 836 | 881 | 1,011 |
| Allowance for loan losses/Total loans | 2.06% | 2.17% | 2.38% |
| Allowance for loan losses/Nonperforming loans | 83 | 82 | 86 |

(a) Included in *Accrued expenses and other liabilities* on the consolidated balance sheets.

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Balance Sheet and Capital Management

Total assets and common shareholders' equity were \$54.1 billion and \$6.0 billion, respectively, at June 30, 2011, compared to \$55.0 billion and \$5.9 billion, respectively, at March 31, 2011. There were approximately 177 million common shares outstanding at June 30, 2011. Comerica did not repurchase any shares of common stock in the open market in the second quarter 2011 under the share repurchase program due to the pending Sterling acquisition. Management expects to resume repurchases in the third quarter 2011.

Comerica's tangible common equity ratio was 10.90 percent at June 30, 2011, an increase of 47 basis points from March 31, 2011. The estimated Tier 1 capital ratio increased 18 basis points, to 10.53 percent at June 30, 2011, from March 31, 2011.

Second-Half 2011 Outlook (Combined Comerica and Sterling Results) Compared to First-Half 2011 (Comerica Only Results)

For the second half of 2011, management expects the following combined results, based on the incorporation of the projected results of Sterling operations from the expected acquisition closing date of July 28, 2011 through year-end 2011, compared to Comerica-only results for the first half of 2011, assuming a continuation of modest growth in the economy. The acquisition is subject to customary closing conditions. The estimated purchase accounting impacts incorporated in this outlook are preliminary and may not be indicative of actual amounts that will be recorded as additional information becomes available and as additional analyses are performed.

- A mid-single digit increase in average loans due to the acquisition of Sterling loans at fair value.
- Average earning assets of approximately \$52.5 billion, reflecting increases, primarily related to Sterling, in average loans and average investment securities available-for-sale, partially offset by a decrease in excess liquidity.
- An average net interest margin of 3.35 percent to 3.40 percent, reflecting the benefit from the accretion of the purchase discount on the acquired Sterling loan portfolio (\$35 million to \$45 million; 13 basis points to 17 basis points), a reduction in excess liquidity, no increase in the Federal Funds rate, and LIBOR consistent with second quarter 2011 levels.
- Net credit-related charge-offs between \$165 million and \$185 million for the second half of 2011. The provision for credit losses is expected to be between \$65 million and \$85 million for the second half of 2011.
- A mid-single digit decline in noninterest income in the second half of 2011 compared to the first half of 2011, primarily due to the impact of regulatory changes, partially offset by the inclusion of Sterling.
- Excluding merger and restructuring charges, a high single-digit increase in noninterest expenses in the second half of 2011 compared to the first half of 2011, primarily due to the addition of Sterling.
- Total merger and restructuring charges of approximately \$80 million, after-tax, with about \$25 million, after-tax, recognized in each of the third and fourth quarters of 2011, and the remainder recognized in 2012.
- Total acquisition synergies of approximately 35 percent of Sterling expenses, or about \$56 million, with the majority realized in 2012.

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- For the second half of 2011, income tax expense to approximate 36 percent of income before income taxes less approximately \$33 million in tax benefits.
- Continue share repurchase program that, combined with dividend payments, results in a payout up to 50 percent of full-year earnings.

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COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 6**Business Segments**

Comerica's operations are strategically aligned into three major business segments: the Business Bank, the Retail Bank, and Wealth Management. The Finance Division is also included as a segment. The financial results below are based on the internal business unit structure of the Corporation and methodologies in effect at June 30, 2011 and are presented on a fully taxable equivalent (FTE) basis. The accompanying narrative addresses second quarter 2011 results compared to first quarter 2011.

The following table presents net income (loss) by business segment.

| (dollar amounts in millions) | 2nd Qtr 11 | | 1st Qtr 11 | | 2nd Qtr 10 | |
|------------------------------|------------|------|------------|------|------------|------|
| Business Bank | \$ 176 | 95% | \$ 167 | 93% | \$ 135 | 98% |
| Retail Bank | (3) | (2) | (2) | (1) | (3) | (2) |
| Wealth Management | 12 | 7 | 14 | 8 | 5 | 4 |
| | 185 | 100% | 179 | 100% | 137 | 100% |
| Finance | (87) | | (76) | | (57) | |
| Other (a) | (2) | | | | (10) | |
| Total | \$ 96 | | \$ 103 | | \$ 70 | |

(a) Includes discontinued operations and items not directly associated with the three major business segments or the Finance Division.

Business Bank

| (dollar amounts in millions) | 2nd Qtr 11 | | 1st Qtr 11 | | 2nd Qtr 10 | |
|--------------------------------|------------|--|------------|--|------------|--|
| Net interest income (FTE) | \$ 342 | | \$ 341 | | \$ 351 | |
| Provision for loan losses | 6 | | 18 | | 83 | |
| Noninterest income | 79 | | 77 | | 78 | |
| Noninterest expenses | 158 | | 160 | | 157 | |
| Net income | 176 | | 167 | | 135 | |
| Net credit-related charge-offs | 54 | | 73 | | 113 | |
| Selected average balances: | | | | | | |
| Assets | 29,893 | | 30,091 | | 30,609 | |
| Loans | 29,380 | | 29,609 | | 30,353 | |
| Deposits | 20,396 | | 20,084 | | 19,069 | |
| Net interest margin | 4.65% | | 4.66% | | 4.63% | |

- Average loans decreased \$229 million, reflecting increases in Middle Market, Global Corporate Banking and Specialty Businesses, more than offset by decreases in Commercial Real Estate and National Dealer Services.

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- Average deposits increased \$312 million, primarily due to increases in Specialty Businesses and Global Corporate Banking, partially offset by a decrease in Middle Market.
- The net interest margin of 4.65 percent decreased one basis point, primarily due to a decrease in deposit spreads.
- The provision for loan losses decreased \$12 million, primarily reflecting decreases in Middle Market and Commercial Real Estate, partially offset by increases in Global Corporate Banking and Specialty Businesses.

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COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 7***Retail Bank***

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--------------------------------|------------|------------|------------|
| Net interest income (FTE) | \$ 141 | \$ 139 | \$ 134 |
| Provision for loan losses | 24 | 23 | 20 |
| Noninterest income | 46 | 42 | 42 |
| Noninterest expenses | 162 | 162 | 160 |
| Net loss | (3) | (2) | (3) |
| Net credit-related charge-offs | 22 | 23 | 22 |
| Selected average balances: | | | |
| Assets | 5,453 | 5,558 | 5,937 |
| Loans | 4,999 | 5,106 | 5,446 |
| Deposits | 17,737 | 17,360 | 16,930 |
| Net interest margin | 3.22% | 3.25% | 3.17% |

- Average loans decreased \$107 million, reflecting declines across all markets and business lines.
- Average deposits increased \$377 million, primarily due to increases in transaction and money market deposits, partially offset by a decrease in customer certificates of deposit.
- The net interest margin of 3.22 percent decreased three basis points, primarily due to a decrease in deposit spreads.
- Noninterest income increased \$4 million, reflecting nominal increases in numerous categories.

Wealth Management

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--------------------------------|------------|------------|------------|
| Net interest income (FTE) | \$ 48 | \$ 44 | \$ 45 |
| Provision for loan losses | 14 | 8 | 19 |
| Noninterest income | 63 | 64 | 61 |
| Noninterest expenses | 76 | 78 | 79 |
| Net income | 12 | 14 | 5 |
| Net credit-related charge-offs | 14 | 5 | 11 |
| Selected average balances: | | | |
| Assets | 4,728 | 4,809 | 4,903 |
| Loans | 4,742 | 4,807 | 4,840 |
| Deposits | 2,978 | 2,800 | 2,924 |
| Net interest margin | 4.07% | 3.76% | 3.73% |

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- Average loans decreased \$65 million.
- Average deposits increased \$178 million, primarily reflecting increases in noninterest-bearing transaction accounts.
- The net interest margin of 4.07 percent increased 31 basis points, primarily due to increases in loan spreads and deposit balances.
- The provision for loan losses increased \$6 million, due to an increase in Private Banking in the Western Market.

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COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 8**Geographic Market Segments**

Comerica also provides market segment results for four primary geographic markets: Midwest, Western, Texas and Florida. In addition to the four primary geographic markets, Other Markets and International are also reported as market segments. The financial results below are based on methodologies in effect at June 30, 2011 and are presented on a fully taxable equivalent (FTE) basis. The accompanying narrative addresses second quarter 2011 results compared to first quarter 2011.

The following table presents net income (loss) by market segment.

| (dollar amounts in millions) | 2nd Qtr 11 | | 1st Qtr 11 | | 2nd Qtr 10 | |
|--------------------------------|------------|------|------------|------|------------|------|
| Midwest | \$ 62 | 34% | \$ 53 | 30% | \$ 61 | 44% |
| Western | 50 | 27 | 51 | 28 | 38 | 28 |
| Texas | 33 | 18 | 29 | 16 | 26 | 19 |
| Florida | (5) | (3) | (4) | (2) | (8) | (6) |
| Other Markets | 30 | 16 | 38 | 21 | 4 | 3 |
| International | 15 | 8 | 12 | 7 | 16 | 12 |
| | 185 | 100% | 179 | 100% | 137 | 100% |
| Finance & Other Businesses (a) | (89) | | (76) | | (67) | |
| Total | \$ 96 | | \$ 103 | | \$ 70 | |

(a) Includes discontinued operations and items not directly associated with the geographic markets.

Midwest Market

| (dollar amounts in millions) | 2nd Qtr 11 | | 1st Qtr 11 | | 2nd Qtr 10 | |
|--------------------------------|------------|--|------------|--|------------|--|
| Net interest income (FTE) | \$ 204 | | \$ 203 | | \$ 211 | |
| Provision for loan losses | 15 | | 34 | | 34 | |
| Noninterest income | 100 | | 100 | | 97 | |
| Noninterest expenses | 183 | | 188 | | 180 | |
| Net income | 62 | | 53 | | 61 | |
| Net credit-related charge-offs | 37 | | 46 | | 44 | |
| Selected average balances: | | | | | | |
| Assets | 14,267 | | 14,307 | | 14,626 | |
| Loans | 14,051 | | 14,104 | | 14,592 | |
| Deposits | 18,319 | | 18,230 | | 17,988 | |
| Net interest margin | 4.46% | | 4.49% | | 4.66% | |

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- Average loans decreased \$53 million, with increases in Middle Market and Global Corporate Banking more than offset by declines in most other business lines.
- Average deposits increased \$89 million, primarily due to increases in Personal Banking, Small Business Banking, Commercial Real Estate and Middle Market, partially offset by decreases in Global Corporate Banking and Specialty Businesses.
- The net interest margin of 4.46 percent decreased three basis points, primarily due to decreases in deposit spreads and loan balances, partially offset by an increase in loan spreads.
- The provision for loan losses decreased \$19 million, primarily reflecting decreases in Middle Market and Commercial Real Estate, partially offset by an increase in Global Corporate Banking.
- Noninterest expenses decreased \$5 million, primarily due to decreases in other real estate expenses, net allocated corporate overhead expenses and FDIC insurance expense, partially offset by an increase in the provision for credit losses on lending-related commitments.

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Western Market

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--------------------------------|------------|------------|------------|
| Net interest income (FTE) | \$ 166 | \$ 164 | \$ 163 |
| Provision for loan losses | 20 | 11 | 27 |
| Noninterest income | 37 | 37 | 33 |
| Noninterest expenses | 108 | 109 | 110 |
| Net income | 50 | 51 | 38 |
| Net credit-related charge-offs | 26 | 26 | 47 |
| Selected average balances: | | | |
| Assets | 12,329 | 12,590 | 13,006 |
| Loans | 12,121 | 12,383 | 12,792 |
| Deposits | 12,458 | 12,235 | 11,951 |
| Net interest margin | 5.35% | 5.37% | 5.13% |

- Average loans decreased \$262 million, primarily due to decreases in National Dealer Services, Commercial Real Estate and Private Banking, partially offset by increases in Middle Market and Global Corporate Banking.
- Average deposits increased \$223 million, primarily due to increases in Specialty Businesses and Private Banking, partially offset by a decrease in Middle Market.
- The net interest margin of 5.35 percent decreased two basis points, primarily due to a decrease in loan balances.
- The provision for loan losses increased \$9 million, primarily due to increases in Private Banking and Specialty Businesses.

Texas Market

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--------------------------------------|------------|------------|------------|
| Net interest income (FTE) | \$ 89 | \$ 87 | \$ 81 |
| Provision for loan losses | (2) | 4 | (1) |
| Noninterest income | 25 | 23 | 23 |
| Noninterest expenses | 63 | 61 | 65 |
| Net income | 33 | 29 | 26 |
| Total net credit-related charge-offs | 3 | 8 | 8 |
| Selected average balances: | | | |
| Assets | 7,081 | 7,031 | 6,652 |
| Loans | 6,871 | 6,824 | 6,428 |
| Deposits | 6,175 | 5,786 | 5,316 |

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| | | | |
|---------------------|-------|-------|-------|
| Net interest margin | 5.19% | 5.17% | 5.05% |
|---------------------|-------|-------|-------|

- Average loans increased \$47 million, primarily due to increases in Middle Market and Global Corporate Banking, partially offset by a decrease in Commercial Real Estate.
- Average deposits increased \$389 million, reflecting increases across most business lines.
- The net interest margin of 5.19 percent increased two basis points, primarily due to increases in loan spreads and deposit balances, partially offset by a decrease in deposit spreads.
- The provision for loan losses decreased \$6 million, with decreases across most business lines.

- more -

COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 10*Florida Market*

| (dollar amounts in millions) | 2nd Qtr 11 | 1st Qtr 11 | 2nd Qtr 10 |
|--------------------------------|------------|------------|------------|
| Net interest income (FTE) | \$ 12 | \$ 11 | \$ 12 |
| Provision for loan losses | 11 | 8 | 17 |
| Noninterest income | 4 | 4 | 4 |
| Noninterest expenses | 12 | 12 | 12 |
| Net loss | (5) | (4) | (8) |
| Net credit-related charge-offs | 15 | 8 | 7 |
| Selected average balances: | | | |
| Assets | 1,534 | 1,553 | 1,576 |
| Loans | 1,565 | 1,580 | 1,575 |
| Deposits | 396 | 367 | 404 |
| Net interest margin | 3.14% | 2.82% | 2.94% |

- Average loans decreased \$15 million, primarily due to decreases in Commercial Real Estate and National Dealer Services, partially offset by increases in Global Corporate Banking and Private Banking.
- Average deposits increased \$29 million, primarily due to an increase in Private Banking.
- The net interest margin of 3.14 percent increased 32 basis points, primarily due to increases in loan spreads and deposit balances.
- The provision for loan losses increased \$3 million, primarily due to increases in Middle Market, Commercial Real Estate and Private Banking.

Conference Call and Webcast

Comerica will host a conference call to review second quarter 2011 financial results at 7 a.m. CT Tuesday, July 19, 2011. Interested parties may access the conference call by calling (800) 309-2262 or (706) 679-5261 (event ID No. 77355589). The call and supplemental financial information can also be accessed on the Internet at www.comerica.com. A telephone replay will be available approximately two hours following the conference call through July 31, 2011. The conference call replay can be accessed by calling (800) 642-1687 or (706) 645-9291 (event ID No. 77355589). A replay of the Webcast can also be accessed via Comerica's Investor Relations page at www.comerica.com.

Comerica Incorporated is a financial services company headquartered in Dallas, Texas, and strategically aligned by three major business segments: the Business Bank, the Retail Bank, and Wealth Management. Comerica focuses on relationships and helping people and businesses be successful. In addition to Texas, Comerica Bank locations can be found in Arizona, California, Florida and Michigan, with select businesses operating in several other states, as well as in Canada and Mexico.

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This press release contains both financial measures based on accounting principles generally accepted in the United States (GAAP) and non-GAAP based financial measures, which are used where management believes it to be helpful in understanding Comerica's results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in this press release. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

- more -

COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 11

Forward-looking Statements

Any statements in this news release that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as anticipates, believes, feels, expects, estimates, seeks, strives, plans, intends, outlook, forecast, position, target, mission, assume, achievable, potential, strategy, goal, aspiration, opportunity, initiative, outcome, continue, remain, maintain, trend, objective, pending, looks forward and variations of such words and similar expressions, or future or conditional verbs such as will, would, should, could, might, can, may or similar expressions, as they relate to Comerica or its management, are intended to identify forward-looking statements. These forward-looking statements are predicated on the beliefs and assumptions of Comerica's management based on information known to Comerica's management as of the date of this news release and do not purport to speak as of any other date. Forward-looking statements may include descriptions of plans and 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. Factors that could cause or contribute to such differences are changes in general economic, political or industry conditions and related credit and market conditions; changes in trade, monetary and fiscal policies, including the interest rate policies of the Federal Reserve Board; adverse conditions in the capital markets; the interdependence of financial service companies; changes in regulation or oversight, including the effects of recently enacted legislation, actions taken by or proposed by the U.S. Treasury, the Board of Governors of the Federal Reserve System, the Texas Department of Banking and the Federal Deposit Insurance Corporation, legislation or regulations enacted in the future, and the impact and expiration of such legislation and regulatory actions; unfavorable developments concerning credit quality; the proposed acquisition of Sterling Bancshares, Inc. (Sterling), or any future acquisitions; the effects of more stringent capital or liquidity requirements; declines or other changes in the businesses or industries in which Comerica has a concentration of loans, including, but not limited to, the automotive production industry and the real estate business lines; the implementation of Comerica's strategies and business models, including the anticipated performance of any new banking centers; Comerica's ability to utilize technology to efficiently and effectively develop, market and deliver new products and services; operational difficulties or information security problems; changes in the financial markets, including fluctuations in interest rates and their impact on deposit pricing; the entry of new competitors in Comerica's markets; changes in customer borrowing, repayment, investment and deposit practices; management's ability to maintain and expand customer relationships; management's ability to retain key officers and employees; the impact of legal and regulatory proceedings; the effectiveness of methods of reducing risk exposures; the effects of war and other armed conflicts or acts of terrorism and the effects of catastrophic events including, but not limited to, hurricanes, tornadoes, earthquakes, fires, droughts and floods. 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 (SEC). In particular, please refer to Item 1A. Risk Factors beginning on page 16 of Comerica's Annual Report on Form 10-K for the year ended December 31, 2010. 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 news release or in any documents, Comerica claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

-more-

COMERICA REPORTS SECOND QUARTER 2011 NET INCOME OF \$96 MILLION 12

Additional Information for Shareholders

In connection with the proposed merger transaction, Comerica has filed with the SEC a Registration Statement on Form S-4 that includes a Proxy Statement of Sterling and a Prospectus of Comerica, and Sterling mailed the definitive Proxy Statement/Prospectus to its shareholders on or about April 6, 2011. Each of Comerica and Sterling may file other relevant documents concerning the proposed transaction. **SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE DEFINITIVE PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY CONTAIN IMPORTANT INFORMATION.**

A free copy of the definitive Proxy Statement/Prospectus, as well as other filings containing information about Comerica and Sterling, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You may be able to obtain these documents, free of charge, from Comerica at www.comerica.com under the tab "Investor Relations" and then under the heading "SEC Filings" or from Sterling by accessing Sterling's website at www.banksterling.com under the tab "Investor Relations" and then under the heading "SEC Filings".

| Media Contact: | Investor Contacts: |
|-----------------------|---------------------------|
| Wayne J. Mielke | Darlene P. Persons |
| (214) 462-4463 | (214) 462-6831 |
| | |
| | Tracy Fralick |
| | (214) 462-6834 |

CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions, except per share data) | June 30, 2011 | Three Months Ended March 31, 2011 | June 30, 2010 | Six Months Ended June 30, 2011 | 2010 |
|--|------------------|---|------------------|--------------------------------------|-----------|
| PER COMMON SHARE AND COMMON STOCK DATA | | | | | |
| Diluted net income (loss) | \$ 0.53 | \$ 0.57 | \$ 0.39 | \$ 1.10 | \$ (0.01) |
| Cash dividends declared | 0.10 | 0.10 | 0.05 | 0.20 | 0.10 |
| Common shareholders equity (at period end) | 34.15 | 33.25 | 32.85 | | |
| Average diluted shares (in thousands) | 177,602 | 178,425 | 178,432 | 178,011 | 165,100 |
| KEY RATIOS | | | | | |
| Return on average common shareholders equity | 6.41% | 7.08% | 4.89% | 6.74% | (0.05)% |
| Return on average assets | 0.70 | 0.77 | 0.50 | 0.73 | 0.43 |
| Tier 1 common capital ratio (a) (b) | 10.53 | 10.35 | 9.81 | | |
| Tier 1 risk-based capital ratio (b) | 10.53 | 10.35 | 10.64 | | |
| Total risk-based capital ratio (b) | 14.81 | 14.80 | 15.03 | | |
| Leverage ratio (b) | 11.39 | 11.37 | 11.36 | | |
| Tangible common equity ratio (a) | 10.90 | 10.43 | 10.11 | | |
| AVERAGE BALANCES | | | | | |
| Commercial loans | \$ 21,677 | \$ 21,496 | \$ 20,910 | \$ 21,586 | \$ 20,961 |
| Real estate construction loans: | | | | | |
| Commercial Real Estate business line (c) | 1,486 | 1,754 | 2,537 | 1,619 | 2,726 |
| Other business lines (d) | 395 | 425 | 450 | 410 | 459 |
| Commercial mortgage loans: | | | | | |
| Commercial Real Estate business line (c) | 1,912 | 1,978 | 1,947 | 1,945 | 1,896 |
| Other business lines (d) | 7,724 | 7,812 | 8,425 | 7,768 | 8,484 |
| Residential mortgage loans | 1,525 | 1,599 | 1,607 | 1,562 | 1,620 |
| Consumer loans | 2,243 | 2,281 | 2,448 | 2,262 | 2,464 |
| Lease financing | 958 | 987 | 1,108 | 972 | 1,119 |
| International loans | 1,254 | 1,219 | 1,240 | 1,237 | 1,261 |
| Total loans | 39,174 | 39,551 | 40,672 | 39,361 | 40,990 |
| Earning assets | 50,136 | 49,347 | 51,835 | 49,743 | 52,385 |
| Total assets | 54,517 | 53,775 | 56,258 | 54,148 | 56,885 |
| Noninterest-bearing deposits | 15,786 | 15,459 | 15,218 | 15,623 | 14,923 |
| Interest-bearing core deposits | 25,281 | 24,727 | 23,710 | 25,005 | 23,165 |
| Total core deposits | 41,067 | 40,186 | 38,928 | 40,628 | 38,088 |
| Common shareholders equity | 5,972 | 5,835 | 5,708 | 5,904 | 5,391 |
| Total shareholders equity | 5,972 | 5,835 | 5,708 | 5,904 | 6,283 |
| NET INTEREST INCOME | | | | | |
| Net interest income (fully taxable equivalent basis) | \$ 392 | \$ 396 | \$ 424 | \$ 788 | \$ 840 |
| Fully taxable equivalent adjustment | 1 | 1 | 2 | 2 | 3 |
| Net interest margin (fully taxable equivalent basis) | 3.14% | 3.25% | 3.28% | 3.19% | 3.23% |
| CREDIT QUALITY | | | | | |
| Nonaccrual loans | \$ 941 | \$ 996 | \$ 1,098 | | |
| Reduced-rate loans | 33 | 34 | 23 | | |
| Total nonperforming loans | 974 | 1,030 | 1,121 | | |
| Foreclosed property | 70 | 74 | 93 | | |
| Total nonperforming assets | 1,044 | 1,104 | 1,214 | | |

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| | | | | | |
|---|-------|-------|-------|--------|--------|
| Loans past due 90 days or more and still accruing | 64 | 72 | 115 | | |
| Gross loan charge-offs | 125 | 123 | 158 | \$ 248 | \$ 342 |
| Loan recoveries | 35 | 22 | 12 | 57 | 23 |
| Net loan charge-offs | 90 | 101 | 146 | 191 | 319 |
| Lending-related commitment charge-offs | | | | | |
| Total net credit-related charge-offs | 90 | 101 | 146 | 191 | 319 |
| Allowance for loan losses | 806 | 849 | 967 | | |
| Allowance for credit losses on lending-related commitments | 30 | 32 | 44 | | |
| Total allowance for credit losses | 836 | 881 | 1,011 | | |
| Allowance for loan losses as a percentage of total loans | 2.06% | 2.17% | 2.38% | | |
| Net loan charge-offs as a percentage of average total loans | 0.92 | 1.03 | 1.44 | 0.97% | 1.56% |
| Net credit-related charge-offs as a percentage of average total loans | 0.92 | 1.03 | 1.44 | 0.97 | 1.56 |
| Nonperforming assets as a percentage of total loans and foreclosed property | 2.66 | 2.81 | 2.98 | | |
| Allowance for loan losses as a percentage of total nonperforming loans | 83 | 82 | 86 | | |

(a) See Reconciliation of Non-GAAP Financial Measures.

(b) June 30, 2011 ratios are estimated.

(c) Primarily loans to real estate investors and developers.

(d) Primarily loans secured by owner-occupied real estate.

CONSOLIDATED BALANCE SHEETS

Comerica Incorporated and Subsidiaries

| (in millions, except share data) | June 30, 2011 (unaudited) | March 31, 2011 (unaudited) | December 31, 2010 | June 30, 2010 (unaudited) |
|--|---------------------------------|----------------------------------|----------------------|---------------------------------|
| ASSETS | | | | |
| Cash and due from banks | \$ 987 | \$ 875 | \$ 668 | \$ 816 |
| Interest-bearing deposits with banks | 2,479 | 3,570 | 1,415 | 3,409 |
| Other short-term investments | 124 | 154 | 141 | 134 |
| Investment securities available-for-sale | 7,537 | 7,406 | 7,560 | 7,188 |
| Commercial loans | 22,052 | 21,360 | 22,145 | 21,151 |
| Real estate construction loans | 1,728 | 2,023 | 2,253 | 2,774 |
| Commercial mortgage loans | 9,579 | 9,697 | 9,767 | 10,318 |
| Residential mortgage loans | 1,491 | 1,550 | 1,619 | 1,606 |
| Consumer loans | 2,232 | 2,262 | 2,311 | 2,443 |
| Lease financing | 949 | 958 | 1,009 | 1,084 |
| International loans | 1,162 | 1,326 | 1,132 | 1,226 |
| Total loans | 39,193 | 39,176 | 40,236 | 40,602 |
| Less allowance for loan losses | (806) | (849) | (901) | (967) |
| Net loans | 38,387 | 38,327 | 39,335 | 39,635 |
| Premises and equipment | 641 | 637 | 630 | 634 |
| Customers liability on acceptances outstanding | 10 | 14 | 9 | 24 |
| Accrued income and other assets | 3,976 | 4,034 | 3,909 | 4,045 |
| Total assets | \$ 54,141 | \$ 55,017 | \$ 53,667 | \$ 55,885 |
| LIABILITIES AND SHAREHOLDERS | | | | |
| EQUITY | | | | |
| Noninterest-bearing deposits | \$ 16,344 | \$ 16,357 | \$ 15,538 | \$ 15,769 |
| Money market and NOW deposits | 18,033 | 17,888 | 17,622 | 16,062 |
| Savings deposits | 1,462 | 1,457 | 1,397 | 1,407 |
| Customer certificates of deposit | 5,551 | 5,672 | 5,482 | 5,893 |
| Other time deposits | | | | 165 |
| Foreign office time deposits | 368 | 499 | 432 | 484 |
| Total interest-bearing deposits | 25,414 | 25,516 | 24,933 | 24,011 |
| Total deposits | 41,758 | 41,873 | 40,471 | 39,780 |
| Short-term borrowings | 67 | 61 | 130 | 200 |
| Acceptances outstanding | 10 | 14 | 9 | 24 |
| Accrued expenses and other liabilities | 1,062 | 1,076 | 1,126 | 1,048 |
| Medium- and long-term debt | 5,206 | 6,116 | 6,138 | 9,041 |
| Total liabilities | 48,103 | 49,140 | 47,874 | 50,093 |
| Common stock - \$5 par value: | | | | |
| Authorized - 325,000,000 shares | | | | |
| Issued - 203,878,110 shares | 1,019 | 1,019 | 1,019 | 1,019 |
| Capital surplus | 1,472 | 1,464 | 1,481 | 1,467 |
| Accumulated other comprehensive loss | (308) | (382) | (389) | (240) |
| Retained earnings | 5,395 | 5,317 | 5,247 | 5,124 |
| Less cost of common stock in treasury - 27,092,427 shares at 6/30/11, 27,103,941 shares at 3/31/11, 27,342,518 shares at 12/31/10, and 27,561,412 shares at 6/30/10 | (1,540) | (1,541) | (1,565) | (1,578) |
| Total shareholders equity | 6,038 | 5,877 | 5,793 | 5,792 |

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| | | | | | | | | |
|---|----|--------|----|--------|----|--------|----|--------|
| Total liabilities and shareholders equity | \$ | 54,141 | \$ | 55,017 | \$ | 53,667 | \$ | 55,885 |
|---|----|--------|----|--------|----|--------|----|--------|

CONSOLIDATED STATEMENTS OF INCOME (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions, except per share data) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|--------|------------------------------|--------|
| | 2011 | 2010 | 2011 | 2010 |
| INTEREST INCOME | | | | |
| Interest and fees on loans | \$ 369 | \$ 412 | \$ 744 | \$ 824 |
| Interest on investment securities | 59 | 61 | 116 | 122 |
| Interest on short-term investments | 3 | 3 | 5 | 6 |
| Total interest income | 431 | 476 | 865 | 952 |
| INTEREST EXPENSE | | | | |
| Interest on deposits | 23 | 29 | 45 | 64 |
| Interest on medium- and long-term debt | 17 | 25 | 34 | 51 |
| Total interest expense | 40 | 54 | 79 | 115 |
| Net interest income | 391 | 422 | 786 | 837 |
| Provision for loan losses | 47 | 126 | 96 | 301 |
| Net interest income after provision for loan losses | 344 | 296 | 690 | 536 |
| NONINTEREST INCOME | | | | |
| Service charges on deposit accounts | 51 | 52 | 103 | 108 |
| Fiduciary income | 39 | 38 | 78 | 77 |
| Commercial lending fees | 21 | 22 | 42 | 44 |
| Letter of credit fees | 18 | 19 | 36 | 37 |
| Card fees | 15 | 15 | 30 | 28 |
| Foreign exchange income | 10 | 10 | 19 | 20 |
| Bank-owned life insurance | 9 | 9 | 17 | 17 |
| Brokerage fees | 6 | 6 | 12 | 12 |
| Net securities gains | 4 | 1 | 6 | 3 |
| Other noninterest income | 29 | 22 | 66 | 42 |
| Total noninterest income | 202 | 194 | 409 | 388 |
| NONINTEREST EXPENSES | | | | |
| Salaries | 185 | 179 | 373 | 348 |
| Employee benefits | 50 | 45 | 100 | 89 |
| Total salaries and employee benefits | 235 | 224 | 473 | 437 |
| Net occupancy expense | 38 | 39 | 78 | 80 |
| Equipment expense | 17 | 15 | 32 | 32 |
| Outside processing fee expense | 25 | 23 | 49 | 46 |
| Software expense | 20 | 22 | 43 | 44 |
| FDIC insurance expense | 12 | 16 | 27 | 33 |
| Legal fees | 8 | 9 | 17 | 17 |
| Advertising expense | 7 | 7 | 14 | 15 |
| Other real estate expense | 6 | 5 | 14 | 17 |
| Litigation and operational losses | 5 | 2 | 8 | 3 |
| Merger and restructuring charges | 5 | | 5 | |
| Provision for credit losses on lending-related commitments | (2) | | (5) | 7 |
| Other noninterest expenses | 33 | 35 | 69 | 70 |
| Total noninterest expenses | 409 | 397 | 824 | 801 |
| Income from continuing operations before income taxes | 137 | 93 | 275 | 123 |
| Provision for income taxes | 41 | 23 | 76 | 18 |

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| | | | | |
|--|--------------|--------------|---------------|---------------|
| Income from continuing operations | 96 | 70 | 199 | 105 |
| Income from discontinued operations, net of tax | | | | 17 |
| NET INCOME | 96 | 70 | 199 | 122 |
| Less: | | | | |
| Preferred stock dividends | | | | 123 |
| Income allocated to participating securities | 1 | 1 | 2 | |
| Net income (loss) attributable to common shares | \$ 95 | \$ 69 | \$ 197 | \$ (1) |
| Basic earnings per common share: | | | | |
| Income (loss) from continuing operations | \$ 0.54 | \$ 0.40 | \$ 1.12 | \$ (0.11) |
| Net income (loss) | 0.54 | 0.40 | 1.12 | (0.01) |
| Diluted earnings per common share: | | | | |
| Income (loss) from continuing operations | 0.53 | 0.39 | 1.10 | (0.11) |
| Net income (loss) | 0.53 | 0.39 | 1.10 | (0.01) |
| Cash dividends declared on common stock | 18 | 8 | 35 | 18 |
| Cash dividends declared per common share | 0.10 | 0.05 | 0.20 | 0.10 |

CONSOLIDATED QUARTERLY STATEMENTS OF INCOME (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions, except per share data) | Second Quarter 2011 | First Quarter 2011 | Fourth Quarter 2010 | Third Quarter 2010 | Second Quarter 2010 | Second Quarter 2011 Compared To: First Quarter 2011 Second Quarter 2010 | | | | |
|--|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|---|---------|---------|---------|--|
| | | | | | | Amount | Percent | Amount | Percent | |
| INTEREST INCOME | | | | | | | | | | |
| Interest and fees on loans | \$ 369 | \$ 375 | \$ 394 | \$ 399 | \$ 412 | \$ (6) | (1)% | \$ (43) | (10)% | |
| Interest on investment securities | 59 | 57 | 49 | 55 | 61 | 2 | 2 | (2) | (4) | |
| Interest on short-term investments | 3 | 2 | 2 | 2 | 3 | 1 | 9 | | (12) | |
| Total interest income | 431 | 434 | 445 | 456 | 476 | (3) | (1) | (45) | (9) | |
| INTEREST EXPENSE | | | | | | | | | | |
| Interest on deposits | 23 | 22 | 24 | 27 | 29 | 1 | (1) | (6) | (21) | |
| Interest on short-term borrowings | | | 1 | | | | (46) | | (77) | |
| Interest on medium- and long-term debt | 17 | 17 | 15 | 25 | 25 | | 4 | (8) | (30) | |
| Total interest expense | 40 | 39 | 40 | 52 | 54 | 1 | 1 | (14) | (25) | |
| Net interest income | 391 | 395 | 405 | 404 | 422 | (4) | (1) | (31) | (7) | |
| Provision for loan losses | 47 | 49 | 57 | 122 | 126 | (2) | (4) | (79) | (63) | |
| Net interest income after provision for loan losses | 344 | 346 | 348 | 282 | 296 | (2) | (1) | 48 | 16 | |
| NONINTEREST INCOME | | | | | | | | | | |
| Service charges on deposit accounts | 51 | 52 | 49 | 51 | 52 | (1) | (4) | (1) | (5) | |
| Fiduciary income | 39 | 39 | 39 | 38 | 38 | | 2 | 1 | 3 | |
| Commercial lending fees | 21 | 21 | 29 | 22 | 22 | | 4 | (1) | (1) | |
| Letter of credit fees | 18 | 18 | 20 | 19 | 19 | | (1) | (1) | (1) | |
| Card fees | 15 | 15 | 15 | 15 | 15 | | 7 | | 6 | |
| Foreign exchange income | 10 | 9 | 11 | 8 | 10 | 1 | 7 | | (4) | |
| Bank-owned life insurance | 9 | 8 | 14 | 9 | 9 | 1 | 1 | | 1 | |
| Brokerage fees | 6 | 6 | 7 | 6 | 6 | | (8) | | (8) | |
| Net securities gains | 4 | 2 | | | 1 | 2 | 82 | 3 | N/M | |
| Other noninterest income | 29 | 37 | 31 | 18 | 22 | (8) | (20) | 7 | 32 | |
| Total noninterest income | 202 | 207 | 215 | 186 | 194 | (5) | (2) | 8 | 4 | |
| NONINTEREST EXPENSES | | | | | | | | | | |
| Salaries | 185 | 188 | 205 | 187 | 179 | (3) | (1) | 6 | 3 | |
| Employee benefits | 50 | 50 | 43 | 47 | 45 | | (1) | 5 | 11 | |
| Total salaries and employee benefits | 235 | 238 | 248 | 234 | 224 | (3) | (1) | 11 | 5 | |
| Net occupancy expense | 38 | 40 | 42 | 40 | 39 | (2) | (3) | (1) | | |
| Equipment expense | 17 | 15 | 16 | 15 | 15 | 2 | 5 | 2 | 5 | |
| Outside processing fee expense | 25 | 24 | 27 | 23 | 23 | 1 | 5 | 2 | 8 | |
| Software expense | 20 | 23 | 23 | 22 | 22 | (3) | (8) | (2) | (4) | |
| FDIC insurance expense | 12 | 15 | 15 | 14 | 16 | (3) | (16) | (4) | (24) | |
| Legal fees | 8 | 9 | 9 | 9 | 9 | (1) | | (1) | | |
| Advertising expense | 7 | 7 | 8 | 7 | 7 | | | | (5) | |
| Other real estate expense | 6 | 8 | 5 | 7 | 5 | (2) | (35) | 1 | 9 | |
| Litigation and operational losses | 5 | 3 | 6 | 2 | 2 | 2 | 60 | 3 | N/M | |
| Merger and restructuring charges | 5 | | | | | 5 | N/M | 5 | N/M | |
| Provision for credit losses on lending-related commitments | (2) | (3) | (3) | (6) | | 1 | 21 | (2) | N/M | |
| Other noninterest expenses | 33 | 36 | 41 | 35 | 35 | (3) | (11) | (2) | (8) | |
| Total noninterest expenses | 409 | 415 | 437 | 402 | 397 | (6) | (1) | 12 | 3 | |
| Income before income taxes | 137 | 138 | 126 | 66 | 93 | (1) | (1) | 44 | 48 | |
| Provision for income taxes | 41 | 35 | 30 | 7 | 23 | 6 | 19 | 18 | 81 | |
| NET INCOME | 96 | 103 | 96 | 59 | 70 | (7) | (7) | 26 | 37 | |
| Less: | | | | | | | | | | |
| Income allocated to participating securities | 1 | 1 | 1 | | 1 | | (6) | | N/M | |

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| | | | | | | | | | | | | | | | |
|--|----|------|----|------|----|------|----|------|----|------|--------|------|----|------|-----|
| Net income (loss) attributable to common shares | \$ | 95 | \$ | 102 | \$ | 95 | \$ | 59 | \$ | 69 | (7) | (7)% | \$ | 26 | 36% |
| Earnings per common share: | | | | | | | | | | | | | | | |
| Basic | \$ | 0.54 | \$ | 0.58 | \$ | 0.54 | \$ | 0.34 | \$ | 0.40 | (0.04) | (7)% | \$ | 0.14 | 35% |
| Diluted | | 0.53 | | 0.57 | | 0.53 | | 0.33 | | 0.39 | (0.04) | (7) | | 0.14 | 36 |
| Cash dividends declared on common stock | | | | | | | | | | | | | | | |
| | | 18 | | 17 | | 18 | | 9 | | 8 | | 1 | | 10 | N/M |
| Cash dividends declared per common share | | | | | | | | | | | | | | | |
| | | 0.10 | | 0.10 | | 0.10 | | 0.05 | | 0.05 | | | | 0.05 | N/M |

N/M - Not meaningful

ANALYSIS OF THE ALLOWANCE FOR LOAN LOSSES (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions) | 2011 | | 2010 | | 2010 | 2010 |
|--|---------|---------|---------|---------|---------|---------|
| | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 3rd Qtr | 2nd Qtr |
| Balance at beginning of period | \$ 849 | \$ 901 | \$ 957 | \$ 967 | \$ 967 | \$ 987 |
| Loan charge-offs: | | | | | | |
| Commercial | 66 | 65 | 43 | 38 | 38 | 65 |
| Real estate construction: | | | | | | |
| Commercial Real Estate business line (a) | 12 | 8 | 34 | 40 | 40 | 30 |
| Other business lines (b) | | 1 | | 1 | 1 | |
| Total real estate construction | 12 | 9 | 34 | 41 | 41 | 30 |
| Commercial mortgage: | | | | | | |
| Commercial Real Estate business line (a) | 8 | 9 | 9 | 16 | 16 | 12 |
| Other business lines (b) | 23 | 25 | 34 | 40 | 40 | 36 |
| Total commercial mortgage | 31 | 34 | 43 | 56 | 56 | 48 |
| Residential mortgage | 7 | 2 | 5 | 2 | 2 | 5 |
| Consumer | 9 | 8 | 15 | 7 | 7 | 9 |
| Lease financing | | | | | | 1 |
| International | | 5 | | 1 | 1 | |
| Total loan charge-offs | 125 | 123 | 140 | 145 | 145 | 158 |
| Recoveries on loans previously charged-off: | | | | | | |
| Commercial | 13 | 4 | 7 | 7 | 7 | 4 |
| Real estate construction | 5 | 2 | 3 | 1 | 1 | 6 |
| Commercial mortgage | 5 | 9 | 10 | 2 | 2 | 1 |
| Residential mortgage | 1 | | 1 | | | |
| Consumer | 1 | 1 | 2 | 1 | 1 | 1 |
| Lease financing | 6 | 5 | 4 | 1 | 1 | |
| International | 4 | 1 | | 1 | 1 | |
| Total recoveries | 35 | 22 | 27 | 13 | 13 | 12 |
| Net loan charge-offs | 90 | 101 | 113 | 132 | 132 | 146 |
| Provision for loan losses | 47 | 49 | 57 | 122 | 122 | 126 |
| Balance at end of period | \$ 806 | \$ 849 | \$ 901 | \$ 957 | \$ 957 | \$ 967 |
| Allowance for loan losses as a percentage of total loans | | | | | | |
| | 2.06% | 2.17% | 2.24% | 2.38% | 2.38% | 2.38% |
| Net loan charge-offs as a percentage of average total loans | | | | | | |
| | 0.92 | 1.03 | 1.13 | 1.32 | 1.32 | 1.44 |
| Net credit-related charge-offs as a percentage of average total loans | | | | | | |
| | 0.92 | 1.03 | 1.13 | 1.32 | 1.32 | 1.44 |

(a) Primarily charge-offs of loans to real estate investors and developers.

(b) Primarily charge-offs of loans secured by owner-occupied real estate.

ANALYSIS OF THE ALLOWANCE FOR CREDIT LOSSES ON LENDING-RELATED COMMITMENTS (unaudited)

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Comerica Incorporated and Subsidiaries

| (in millions) | 2011 | | | 2010 | |
|---|---------|---------|---------|---------|---------|
| | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2nd Qtr |
| Balance at beginning of period | \$ 32 | \$ 35 | \$ 38 | \$ 44 | \$ 44 |
| Add: Provision for credit losses on lending-related commitments | (2) | (3) | (3) | (6) | |
| Balance at end of period | \$ 30 | \$ 32 | \$ 35 | \$ 38 | \$ 44 |
| Unfunded lending-related commitments sold | \$ 3 | \$ 2 | \$ | \$ | \$ 2 |

NONPERFORMING ASSETS (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions) | 2011 | | 2010 | | 2010 | |
|---|----------|----------|----------|----------|----------|--|
| | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2nd Qtr | |
| SUMMARY OF NONPERFORMING ASSETS AND PAST DUE LOANS | | | | | | |
| Nonaccrual loans: | | | | | | |
| Business loans: | | | | | | |
| Commercial | \$ 261 | \$ 226 | \$ 252 | \$ 258 | \$ 239 | |
| Real estate construction: | | | | | | |
| Commercial Real Estate business line (a) | 137 | 195 | 259 | 362 | 385 | |
| Other business lines (b) | 2 | 3 | 4 | 4 | 4 | |
| Total real estate construction | 139 | 198 | 263 | 366 | 389 | |
| Commercial mortgage: | | | | | | |
| Commercial Real Estate business line (a) | 186 | 197 | 181 | 153 | 135 | |
| Other business lines (b) | 269 | 293 | 302 | 304 | 257 | |
| Total commercial mortgage | 455 | 490 | 483 | 457 | 392 | |
| Lease financing | 6 | 7 | 7 | 10 | 11 | |
| International | 7 | 4 | 2 | 2 | 3 | |
| Total nonaccrual business loans | 868 | 925 | 1,007 | 1,093 | 1,034 | |
| Retail loans: | | | | | | |
| Residential mortgage | 60 | 58 | 55 | 59 | 53 | |
| Consumer: | | | | | | |
| Home equity | 4 | 6 | 5 | 5 | 7 | |
| Other consumer | 9 | 7 | 13 | 6 | 4 | |
| Total consumer | 13 | 13 | 18 | 11 | 11 | |
| Total nonaccrual retail loans | 73 | 71 | 73 | 70 | 64 | |
| Total nonaccrual loans | 941 | 996 | 1,080 | 1,163 | 1,098 | |
| Reduced-rate loans | 33 | 34 | 43 | 28 | 23 | |
| Total nonperforming loans | 974 | 1,030 | 1,123 | 1,191 | 1,121 | |
| Foreclosed property | 70 | 74 | 112 | 120 | 93 | |
| Total nonperforming assets | \$ 1,044 | \$ 1,104 | \$ 1,235 | \$ 1,311 | \$ 1,214 | |
| Nonperforming loans as a percentage of total loans | | | | | | |
| | 2.49% | 2.63% | 2.79% | 2.96% | 2.76% | |
| Nonperforming assets as a percentage of total loans and foreclosed property | | | | | | |
| | 2.66 | 2.81 | 3.06 | 3.24 | 2.98 | |
| Allowance for loan losses as a percentage of total nonperforming loans | | | | | | |
| | 83 | 82 | 80 | 80 | 86 | |
| Loans past due 90 days or more and still accruing | \$ 64 | \$ 72 | \$ 62 | \$ 104 | \$ 115 | |
| ANALYSIS OF NONACCRUAL LOANS | | | | | | |
| Nonaccrual loans at beginning of period | \$ 996 | \$ 1,080 | \$ 1,163 | \$ 1,098 | \$ 1,145 | |
| Loans transferred to nonaccrual (c) | 163 | 166 | 180 | 294 | 199 | |
| Nonaccrual business loan gross charge-offs (d) | (109) | (111) | (120) | (136) | (143) | |
| Loans transferred to accrual status (c) | (4) | (4) | (4) | (10) | (47) | |
| Nonaccrual business loans sold (e) | (9) | (60) | (41) | (12) | (47) | |
| Payments/Other (f) | (100) | (75) | (98) | (71) | (56) | |
| Nonaccrual loans at end of period | \$ 941 | \$ 996 | \$ 1,080 | \$ 1,163 | \$ 1,098 | |

(a) Primarily loans to real estate investors and developers.

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(b) Primarily loans secured by owner-occupied real estate.

(c) Based on an analysis of nonaccrual loans with book balances greater than \$2 million.

(d) Analysis of gross loan charge-offs:

| | | | | | | | | | | |
|---|----|-----|----|-----|----|-----|----|-----|----|-----|
| Nonaccrual business loans | \$ | 109 | \$ | 111 | \$ | 120 | \$ | 136 | \$ | 143 |
| Performing watch list loans | | | | 2 | | | | | | 1 |
| Consumer and residential mortgage loans | | 16 | | 10 | | 20 | | 9 | | 14 |
| Total gross loan charge-offs | \$ | 125 | \$ | 123 | \$ | 140 | \$ | 145 | \$ | 158 |

(e) Analysis of loans sold:

| | | | | | | | | | | |
|-----------------------------|----|----|----|----|----|----|----|----|----|----|
| Nonaccrual business loans | \$ | 9 | \$ | 60 | \$ | 41 | \$ | 12 | \$ | 47 |
| Performing watch list loans | | 6 | | 35 | | 29 | | 7 | | 15 |
| Total loans sold | \$ | 15 | \$ | 95 | \$ | 70 | \$ | 19 | \$ | 62 |

(f) Includes net changes related to nonaccrual loans with balances less than \$2 million, payments on nonaccrual loans with book balances greater than \$2 million and transfers of nonaccrual loans to foreclosed property. Excludes business loan gross charge-offs and business nonaccrual loans sold.

ANALYSIS OF NET INTEREST INCOME (FTE) (unaudited)

Comerica Incorporated and Subsidiaries

| (dollar amounts in millions) | June 30, 2011 | | Six Months Ended | | June 30, 2010 | |
|--|-----------------|----------|------------------|-----------------|---------------|--------------|
| | Average Balance | Interest | Average Rate | Average Balance | Interest | Average Rate |
| Commercial loans | \$ 21,586 | \$ 396 | 3.70% | \$ 20,961 | \$ 411 | 3.95% |
| Real estate construction loans | 2,029 | 36 | 3.62 | 3,185 | 48 | 3.03 |
| Commercial mortgage loans | 9,713 | 191 | 3.96 | 10,380 | 216 | 4.19 |
| Residential mortgage loans | 1,562 | 42 | 5.37 | 1,620 | 44 | 5.43 |
| Consumer loans | 2,262 | 39 | 3.42 | 2,464 | 44 | 3.57 |
| Lease financing | 972 | 17 | 3.56 | 1,119 | 21 | 3.73 |
| International loans | 1,237 | 24 | 3.83 | 1,261 | 25 | 4.00 |
| Business loan swap income | | 1 | | | 17 | |
| Total loans | 39,361 | 746 | 3.82 | 40,990 | 826 | 4.06 |
| Auction-rate securities available-for-sale | 527 | 2 | 0.80 | 847 | 5 | 1.06 |
| Other investment securities available-for-sale | 6,832 | 114 | 3.39 | 6,475 | 118 | 3.72 |
| Total investment securities available-for-sale | 7,359 | 116 | 3.19 | 7,322 | 123 | 3.40 |
| Federal funds sold and securities purchased under agreements to resell | 2 | | 0.32 | 1 | | 1.17 |
| Interest-bearing deposits with banks (a) | 2,897 | 4 | 0.25 | 3,944 | 5 | 0.25 |
| Other short-term investments | 124 | 1 | 2.05 | 128 | 1 | 1.70 |
| Total earning assets | 49,743 | 867 | 3.51 | 52,385 | 955 | 3.67 |
| Cash and due from banks | 878 | | | 792 | | |
| Allowance for loan losses | (883) | | | (1,048) | | |
| Accrued income and other assets | 4,410 | | | 4,756 | | |
| Total assets | \$ 54,148 | | | \$ 56,885 | | |
| Money market and NOW deposits | \$ 18,003 | 23 | 0.26 | \$ 15,709 | 25 | 0.32 |
| Savings deposits | 1,443 | 1 | 0.09 | 1,407 | | 0.07 |
| Customer certificates of deposit | 5,559 | 20 | 0.73 | 6,049 | 30 | 0.97 |
| Total interest-bearing core deposits | 25,005 | 44 | 0.36 | 23,165 | 55 | 0.48 |
| Other time deposits | | | | 584 | 9 | 3.18 |
| Foreign office time deposits | 413 | 1 | 0.50 | 453 | | 0.22 |
| Total interest-bearing deposits | 25,418 | 45 | 0.36 | 24,202 | 64 | 0.54 |
| Short-term borrowings | 103 | | 0.21 | 241 | | 0.19 |
| Medium- and long-term debt | 5,974 | 34 | 1.15 | 10,169 | 51 | 0.99 |
| Total interest-bearing sources | 31,495 | 79 | 0.51 | 34,612 | 115 | 0.67 |
| Noninterest-bearing deposits | 15,623 | | | 14,923 | | |
| Accrued expenses and other liabilities | 1,126 | | | 1,067 | | |
| Total shareholders' equity | 5,904 | | | 6,283 | | |
| Total liabilities and shareholders' equity | \$ 54,148 | | | \$ 56,885 | | |
| Net interest income/rate spread (FTE) | | \$ 788 | 3.00 | | \$ 840 | 3.00 |
| FTE adjustment | | \$ 2 | | | \$ 3 | |
| | | | 0.19 | | | 0.23 |

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Impact of net noninterest-bearing sources of funds

| | | |
|---|-------|-------|
| Net interest margin (as a percentage of average earning assets) (FTE) (a) | 3.19% | 3.23% |
|---|-------|-------|

-
- (a) Excess liquidity, represented by average balances deposited with the Federal Reserve Bank, reduced the net interest margin by 18 basis points and 24 basis points year-to-date in 2011 and 2010, respectively. Excluding excess liquidity, the net interest margin would have been 3.37% in 2011 and 3.47% in 2010. See Reconciliation of Non-GAAP Financial Measures.

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ANALYSIS OF NET INTEREST INCOME (FTE) (unaudited)

Comerica Incorporated and Subsidiaries

| (dollar amounts in millions) | June 30, 2011 | | | Three Months Ended March 31, 2011 | | | June 30, 2010 | | |
|--|--------------------|----------|-----------------|--------------------------------------|----------|-----------------|--------------------|----------|-----------------|
| | Average Balance | Interest | Average Rate | Average Balance | Interest | Average Rate | Average Balance | Interest | Average Rate |
| Commercial loans | \$ 21,677 | \$ 196 | 3.65% | \$ 21,496 | \$ 200 | 3.76% | \$ 20,910 | \$ 206 | 3.95% |
| Real estate construction loans | 1,881 | 17 | 3.75 | 2,179 | 19 | 3.51 | 2,987 | 23 | 3.13 |
| Commercial mortgage loans | 9,636 | 96 | 3.98 | 9,790 | 95 | 3.95 | 10,372 | 109 | 4.20 |
| Residential mortgage loans | 1,525 | 21 | 5.50 | 1,599 | 21 | 5.24 | 1,607 | 22 | 5.44 |
| Consumer loans | 2,243 | 20 | 3.42 | 2,281 | 19 | 3.42 | 2,448 | 22 | 3.56 |
| Lease financing | 958 | 8 | 3.50 | 987 | 9 | 3.62 | 1,108 | 10 | 3.72 |
| International loans | 1,254 | 12 | 3.80 | 1,219 | 12 | 3.87 | 1,240 | 13 | 4.07 |
| Business loan swap income | | | | | 1 | | | 9 | |
| Total loans | 39,174 | 370 | 3.79 | 39,551 | 376 | 3.85 | 40,672 | 414 | 4.07 |
| Auction-rate securities available-for-sale | 500 | 1 | 0.71 | 554 | 1 | 0.88 | 816 | 3 | 1.19 |
| Other investment securities available-for-sale | 6,907 | 58 | 3.40 | 6,757 | 56 | 3.37 | 6,446 | 58 | 3.71 |
| Total investment securities available-for-sale | 7,407 | 59 | 3.20 | 7,311 | 57 | 3.17 | 7,262 | 61 | 3.41 |
| Federal funds sold and securities purchased under agreements to resell | 2 | | 0.33 | 3 | | 0.32 | 1 | | 1.35 |
| Interest-bearing deposits with banks (a) | 3,433 | 3 | 0.25 | 2,354 | 1 | 0.26 | 3,768 | 3 | 0.25 |
| Other short-term investments | 120 | | 1.39 | 128 | 1 | 2.68 | 132 | | 1.65 |
| Total earning assets | 50,136 | 432 | 3.46 | 49,347 | 435 | 3.57 | 51,835 | 478 | 3.70 |
| Cash and due from banks | 872 | | | 884 | | | 795 | | |
| Allowance for loan losses | (859) | | | (908) | | | (1,037) | | |
| Accrued income and other assets | 4,368 | | | 4,452 | | | 4,665 | | |
| Total assets | \$ 54,517 | | | \$ 53,775 | | | \$ 56,258 | | |
| Money market and NOW deposits | \$ 18,207 | 11 | 0.26 | \$ 17,797 | 12 | 0.26 | \$ 16,354 | 13 | 0.32 |
| Savings deposits | 1,465 | 1 | 0.09 | 1,421 | | 0.09 | 1,429 | | 0.07 |
| Customer certificates of deposit | 5,609 | 10 | 0.70 | 5,509 | 10 | 0.76 | 5,927 | 15 | 0.92 |
| Total interest-bearing core deposits | 25,281 | 22 | 0.35 | 24,727 | 22 | 0.36 | 23,710 | 28 | 0.45 |
| Other time deposits | | | | | | | 295 | 1 | 2.14 |
| Foreign office time deposits | 413 | 1 | 0.52 | 412 | | 0.49 | 448 | | 0.23 |
| Total interest-bearing deposits | 25,694 | 23 | 0.35 | 25,139 | 22 | 0.37 | 24,453 | 29 | 0.47 |
| Short-term borrowings | 112 | | 0.14 | 94 | | 0.31 | 248 | | 0.27 |
| Medium- and long-term debt | 5,821 | 17 | 1.20 | 6,128 | 17 | 1.10 | 9,571 | 25 | 1.04 |
| Total interest-bearing sources | 31,627 | 40 | 0.51 | 31,361 | 39 | 0.51 | 34,272 | 54 | 0.63 |
| Noninterest-bearing deposits | 15,786 | | | 15,459 | | | 15,218 | | |
| Accrued expenses and other liabilities | 1,132 | | | 1,120 | | | 1,060 | | |
| Total shareholders' equity | 5,972 | | | 5,835 | | | 5,708 | | |
| Total liabilities and shareholders' equity | \$ 54,517 | | | \$ 53,775 | | | \$ 56,258 | | |
| Net interest income/rate spread (FTE) | | \$ 392 | 2.95 | | \$ 396 | 3.06 | | \$ 424 | 3.07 |
| FTE adjustment | | \$ 1 | | | \$ 1 | | | \$ 2 | |

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| | | | |
|---|-------|-------|-------|
| Impact of net noninterest-bearing sources of funds | 0.19 | 0.19 | 0.21 |
| Net interest margin (as a percentage of average earning assets) (FTE) (a) | 3.14% | 3.25% | 3.28% |

(a) Excess liquidity, represented by average balances deposited with the Federal Reserve Bank, reduced the net interest margin by 21 basis points and by 14 points in the second and first quarters of 2011, respectively and by 23 basis points in the second quarter of 2010. Excluding excess liquidity, the net interest margin would have been 3.35%, 3.39% and 3.51% in each respective period. See Reconciliation of Non-GAAP Financial Measures.

CONSOLIDATED STATISTICAL DATA (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions, except per share data) | June 30, 2011 | March 31, 2011 | December 31, 2010 | September 30, 2010 | June 30, 2010 |
|---|------------------|-------------------|----------------------|-----------------------|------------------|
| Commercial loans: | | | | | |
| Floor plan | \$ 1,478 | \$ 1,893 | \$ 2,017 | \$ 1,693 | \$ 1,586 |
| Other | 20,574 | 19,467 | 20,128 | 19,739 | 19,565 |
| Total commercial loans | 22,052 | 21,360 | 22,145 | 21,432 | 21,151 |
| Real estate construction loans: | | | | | |
| Commercial Real Estate business line (a) | 1,343 | 1,606 | 1,826 | 2,023 | 2,345 |
| Other business lines (b) | 385 | 417 | 427 | 421 | 429 |
| Total real estate construction loans | 1,728 | 2,023 | 2,253 | 2,444 | 2,774 |
| Commercial mortgage loans: | | | | | |
| Commercial Real Estate business line (a) | 1,930 | 1,918 | 1,937 | 2,091 | 2,035 |
| Other business lines (b) | 7,649 | 7,779 | 7,830 | 8,089 | 8,283 |
| Total commercial mortgage loans | 9,579 | 9,697 | 9,767 | 10,180 | 10,318 |
| Residential mortgage loans | 1,491 | 1,550 | 1,619 | 1,586 | 1,606 |
| Consumer loans: | | | | | |
| Home equity | 1,622 | 1,661 | 1,704 | 1,736 | 1,761 |
| Other consumer | 610 | 601 | 607 | 667 | 682 |
| Total consumer loans | 2,232 | 2,262 | 2,311 | 2,403 | 2,443 |
| Lease financing | 949 | 958 | 1,009 | 1,053 | 1,084 |
| International loans | 1,162 | 1,326 | 1,132 | 1,182 | 1,226 |
| Total loans | \$ 39,193 | \$ 39,176 | \$ 40,236 | \$ 40,280 | \$ 40,602 |
| Goodwill | | | | | |
| Goodwill | \$ 150 | \$ 150 | \$ 150 | \$ 150 | \$ 150 |
| Loan servicing rights | | | | | |
| Loan servicing rights | 4 | 4 | 5 | 5 | 6 |
| Tier 1 common capital ratio (c) (d) | | | | | |
| Tier 1 common capital ratio (c) (d) | 10.53% | 10.35% | 10.13% | 9.96% | 9.81% |
| Tier 1 risk-based capital ratio (d) | | | | | |
| Tier 1 risk-based capital ratio (d) | 10.53 | 10.35 | 10.13 | 9.96 | 10.64 |
| Total risk-based capital ratio (d) | | | | | |
| Total risk-based capital ratio (d) | 14.81 | 14.80 | 14.54 | 14.37 | 15.03 |
| Leverage ratio (d) | | | | | |
| Leverage ratio (d) | 11.39 | 11.37 | 11.26 | 10.91 | 11.36 |
| Tangible common equity ratio (c) | | | | | |
| Tangible common equity ratio (c) | 10.90 | 10.43 | 10.54 | 10.39 | 10.11 |
| Book value per common share | | | | | |
| Book value per common share | \$ 34.15 | \$ 33.25 | \$ 32.82 | \$ 33.19 | \$ 32.85 |
| Market value per share for the quarter: | | | | | |
| High | 39.00 | 43.53 | 43.44 | 40.21 | 45.85 |
| Low | 33.08 | 36.20 | 34.43 | 33.11 | 35.44 |
| Close | 34.57 | 36.72 | 42.24 | 37.15 | 36.83 |
| Quarterly ratios: | | | | | |
| Return on average common shareholders equity | | | | | |
| Return on average common shareholders equity | 6.41% | 7.08% | 6.53% | 4.07% | 4.89% |
| Return on average assets | | | | | |
| Return on average assets | 0.70 | 0.77 | 0.71 | 0.43 | 0.50 |
| Efficiency ratio | | | | | |
| Efficiency ratio | 69.33 | 69.05 | 70.38 | 67.88 | 64.47 |
| Number of banking centers | | | | | |
| Number of banking centers | 446 | 445 | 444 | 441 | 437 |
| Number of employees - full time equivalent | | | | | |
| Number of employees - full time equivalent | 8,915 | 8,955 | 9,001 | 9,075 | 9,107 |

(a) Primarily loans to real estate investors and developers.

(b) Primarily loans secured by owner-occupied real estate.

(c) See Reconciliation of Non-GAAP Financial Measures.

(d) June 30, 2011 ratios are estimated.

PARENT COMPANY ONLY BALANCE SHEETS (unaudited)*Comerica Incorporated*

| (in millions, except share data) | June 30, 2011 | December 31, 2010 | June 30, 2010 |
|--|------------------|----------------------|------------------|
| ASSETS | | | |
| Cash and due from subsidiary bank | \$ 14 | \$ | \$ 15 |
| Short-term investments with subsidiary bank | 413 | 327 | 659 |
| Other short-term investments | 90 | 86 | 83 |
| Investment in subsidiaries, principally banks | 6,122 | 5,957 | 5,961 |
| Premises and equipment | 3 | 4 | 4 |
| Other assets | 162 | 181 | 190 |
| Total assets | \$ 6,804 | \$ 6,555 | \$ 6,912 |
| LIABILITIES AND SHAREHOLDERS EQUITY | | | |
| Medium- and long-term debt | \$ 635 | \$ 635 | \$ 999 |
| Other liabilities | 131 | 127 | 121 |
| Total liabilities | 766 | 762 | 1,120 |
| Common stock - \$5 par value: | | | |
| Authorized - 325,000,000 shares | | | |
| Issued - 203,878,110 shares | 1,019 | 1,019 | 1,019 |
| Capital surplus | 1,472 | 1,481 | 1,467 |
| Accumulated other comprehensive loss | (308) | (389) | (240) |
| Retained earnings | 5,395 | 5,247 | 5,124 |
| Less cost of common stock in treasury - 27,092,427 shares at 6/30/11, 27,342,518 shares at 12/31/10, and 27,561,412 shares at 6/30/10 | (1,540) | (1,565) | (1,578) |
| Total shareholders equity | 6,038 | 5,793 | 5,792 |
| Total liabilities and shareholders equity | \$ 6,804 | \$ 6,555 | \$ 6,912 |

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY (unaudited)*Comerica Incorporated and Subsidiaries*

| (in millions, except per share data) | Preferred Stock | Common Stock Shares Outstanding | Common Stock Amount | Capital Surplus | Accumulated Other Comprehensive Loss | Retained Earnings | Treasury Stock | Total Shareholders Equity |
|--|--------------------|---------------------------------------|------------------------|--------------------|---|----------------------|-------------------|---------------------------------|
| BALANCE AT DECEMBER 31, 2009 | \$ 2,151 | 151.2 | \$ 894 | \$ 740 | \$ (336) | \$ 5,161 | \$ (1,581) | \$ 7,029 |
| Net income | | | | | | 122 | | 122 |
| Other comprehensive income, net of tax | | | | | 96 | | | 96 |
| Total comprehensive income | | | | | | | | 218 |
| Cash dividends declared on preferred stock | | | | | | (38) | | (38) |
| Cash dividends declared on common stock (\$0.10 per share) | | | | | | (18) | | (18) |
| Purchase of common stock | | | | | | | (4) | (4) |
| Issuance of common stock | | 25.1 | 125 | 724 | | | | 849 |
| Redemption of preferred stock | (2,250) | | | | | | | (2,250) |

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| | | | | | | | | | | | | | | |
|--|----|-------|----|-------|------|-------|-----|-------|-----|-------|----|---------|----|-------|
| Redemption discount accretion on preferred stock | 94 | | | | (94) | | | | | | | | | |
| Accretion of discount on preferred stock | 5 | | | | (5) | | | | | | | | | |
| Net issuance of common stock under employee stock plans | | | | (5) | | (4) | 6 | | (3) | | | | | |
| Share-based compensation | | | | 11 | | | | | 11 | | | | | |
| Other | | | | (3) | | | 1 | | (2) | | | | | |
| BALANCE AT JUNE 30, 2010 | \$ | 176.3 | \$ | 1,019 | \$ | 1,467 | \$ | (240) | \$ | 5,124 | \$ | (1,578) | \$ | 5,792 |
| BALANCE AT DECEMBER 31, 2010 | \$ | 176.5 | \$ | 1,019 | \$ | 1,481 | \$ | (389) | \$ | 5,247 | \$ | (1,565) | \$ | 5,793 |
| Net income | | | | | | | 199 | | | | | | | 199 |
| Other comprehensive income, net of tax | | | | | | | 81 | | | | | | | 81 |
| Total comprehensive income | | | | | | | | | | | | | | 280 |
| Cash dividends declared on common stock (\$0.20 per share) | | | | | | | | (35) | | | | | | (35) |
| Purchase of common stock | | (0.5) | | | | | | | | | | (21) | | (21) |
| Net issuance of common stock under employee stock plans | | 0.8 | | | | (30) | | (16) | | 46 | | | | |
| Share-based compensation | | | | | | 21 | | | | | | | | 21 |
| BALANCE AT JUNE 30, 2011 | \$ | 176.8 | \$ | 1,019 | \$ | 1,472 | \$ | (308) | \$ | 5,395 | \$ | (1,540) | \$ | 6,038 |

BUSINESS SEGMENT FINANCIAL RESULTS (unaudited)*Comerica Incorporated and Subsidiaries*

| (dollar amounts in millions) Three Months Ended June 30, 2011 | Business Bank | Retail Bank | Wealth Management | Finance | Other | Total |
|--|---------------|-------------|-------------------|----------|--------|--------|
| Earnings summary: | | | | | | |
| Net interest income (expense) (FTE) | \$ 342 | \$ 141 | \$ 48 | \$ (147) | \$ 8 | \$ 392 |
| Provision for loan losses | 6 | 24 | 14 | | 3 | 47 |
| Noninterest income | 79 | 46 | 63 | 11 | 3 | 202 |
| Noninterest expenses | 158 | 162 | 76 | 3 | 10 | 409 |
| Provision (benefit) for income taxes (FTE) | 81 | 4 | 9 | (52) | | 42 |
| Net income (loss) | \$ 176 | \$ (3) | \$ 12 | \$ (87) | \$ (2) | \$ 96 |
| Net credit-related charge-offs | \$ 54 | \$ 22 | \$ 14 | \$ | \$ | \$ 90 |

Selected average balances:

| | | | | | | |
|----------|-----------|----------|----------|----------|----------|-----------|
| Assets | \$ 29,893 | \$ 5,453 | \$ 4,728 | \$ 9,406 | \$ 5,037 | \$ 54,517 |
| Loans | 29,380 | 4,999 | 4,742 | 48 | 5 | 39,174 |
| Deposits | 20,396 | 17,737 | 2,978 | 239 | 130 | 41,480 |

Statistical data:

| | | | | | | |
|------------------------------|-------|---------|-------|-----|-----|-------|
| Return on average assets (a) | 2.35% | (0.06)% | 1.03% | N/M | N/M | 0.70% |
| Net interest margin (b) | 4.65 | 3.22 | 4.07 | N/M | N/M | 3.14 |
| Efficiency ratio | 37.41 | 86.48 | 71.40 | N/M | N/M | 69.33 |

| Three Months Ended March 31, 2011 | Business Bank | Retail Bank | Wealth Management | Finance | Other | Total |
|--|---------------|-------------|-------------------|----------|-------|--------|
| Earnings summary: | | | | | | |
| Net interest income (expense) (FTE) | \$ 341 | \$ 139 | \$ 44 | \$ (135) | \$ 7 | \$ 396 |
| Provision for loan losses | 18 | 23 | 8 | | | 49 |
| Noninterest income | 77 | 42 | 64 | 16 | 8 | 207 |
| Noninterest expenses | 160 | 162 | 78 | 3 | 12 | 415 |
| Provision (benefit) for income taxes (FTE) | 73 | (2) | 8 | (46) | 3 | 36 |
| Net income (loss) | \$ 167 | \$ (2) | \$ 14 | \$ (76) | \$ | \$ 103 |
| Net credit-related charge-offs | \$ 73 | \$ 23 | \$ 5 | \$ | \$ | \$ 101 |

Selected average balances:

| | | | | | | |
|----------|-----------|----------|----------|----------|----------|-----------|
| Assets | \$ 30,091 | \$ 5,558 | \$ 4,809 | \$ 9,314 | \$ 4,003 | \$ 53,775 |
| Loans | 29,609 | 5,106 | 4,807 | 22 | 7 | 39,551 |
| Deposits | 20,084 | 17,360 | 2,800 | 249 | 105 | 40,598 |

Statistical data:

| | | | | | | |
|------------------------------|-------|---------|-------|-----|-----|-------|
| Return on average assets (a) | 2.22% | (0.05)% | 1.14% | N/M | N/M | 0.77% |
| Net interest margin (b) | 4.66 | 3.25 | 3.76 | N/M | N/M | 3.25 |
| Efficiency ratio | 38.14 | 89.19 | 74.38 | N/M | N/M | 69.05 |

| Three Months Ended June 30, 2010 | Business Bank | Retail Bank | Wealth Management | Finance | Other | Total |
|-------------------------------------|---------------|-------------|-------------------|----------|--------|--------|
| Earnings summary: | | | | | | |
| Net interest income (expense) (FTE) | \$ 351 | \$ 134 | \$ 45 | \$ (103) | \$ (3) | \$ 424 |
| Provision for loan losses | 83 | 20 | 19 | | 4 | 126 |
| Noninterest income | 78 | 42 | 61 | 13 | | 194 |
| Noninterest expenses | 157 | 160 | 79 | 2 | (1) | 397 |

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| | | | | | | |
|--|-----------|----------|----------|----------|----------|-----------|
| Provision (benefit) for income taxes (FTE) | 54 | (1) | 3 | (35) | 4 | 25 |
| Net income (loss) | \$ 135 | \$ (3) | \$ 5 | \$ (57) | \$ (10) | \$ 70 |
| Net credit-related charge-offs | \$ 113 | \$ 22 | \$ 11 | \$ | \$ | \$ 146 |
| Selected average balances: | | | | | | |
| Assets | \$ 30,609 | \$ 5,937 | \$ 4,903 | \$ 9,343 | \$ 5,466 | \$ 56,258 |
| Loans | 30,353 | 5,446 | 4,840 | 36 | (3) | 40,672 |
| Deposits | 19,069 | 16,930 | 2,924 | 653 | 95 | 39,671 |
| Statistical data: | | | | | | |
| Return on average assets (a) | 1.75% | (0.06)% | 0.43% | N/M | N/M | 0.50% |
| Net interest margin (b) | 4.63 | 3.17 | 3.73 | N/M | N/M | 3.28 |
| Efficiency ratio | 36.92 | 89.14 | 77.57 | N/M | N/M | 64.47 |

(a) Return on average assets is calculated based on the greater of average assets or average liabilities and attributed equity.

(b) Net interest margin is calculated based on the greater of average earning assets or average deposits and purchased funds.

FTE - Fully Taxable Equivalent

N/M - Not Meaningful

MARKET SEGMENT FINANCIAL RESULTS (unaudited)

Comerica Incorporated and Subsidiaries

| (dollar amounts in millions) | | | | | | | | Finance & Other | |
|---|-----------|-----------|----------|----------|---------------|---------------|------------|-----------------|--|
| Three Months Ended June 30, 2011 | Midwest | Western | Texas | Florida | Other Markets | International | Businesses | Total | |
| Earnings summary: | | | | | | | | | |
| Net interest income (expense) (FTE) | \$ 204 | \$ 166 | \$ 89 | \$ 12 | \$ 41 | \$ 19 | \$ (139) | \$ 392 | |
| Provision for loan losses | 15 | 20 | (2) | 11 | 5 | (5) | 3 | 47 | |
| Noninterest income | 100 | 37 | 25 | 4 | 13 | 9 | 14 | 202 | |
| Noninterest expenses | 183 | 108 | 63 | 12 | 21 | 9 | 13 | 409 | |
| Provision (benefit) for income taxes (FTE) | | | | | | | | | |
| | 44 | 25 | 20 | (2) | (2) | 9 | (52) | 42 | |
| Net income (loss) | \$ 62 | \$ 50 | \$ 33 | \$ (5) | \$ 30 | \$ 15 | \$ (89) | \$ 96 | |
| Net credit-related charge-offs (recoveries) | | | | | | | | | |
| | \$ 37 | \$ 26 | \$ 3 | \$ 15 | \$ 11 | \$ (2) | \$ | \$ 90 | |
| Selected average balances: | | | | | | | | | |
| Assets | \$ 14,267 | \$ 12,329 | \$ 7,081 | \$ 1,534 | \$ 3,101 | \$ 1,762 | \$ 14,443 | \$ 54,517 | |
| Loans | 14,051 | 12,121 | 6,871 | 1,565 | 2,823 | 1,690 | 53 | 39,174 | |
| Deposits | 18,319 | 12,458 | 6,175 | 396 | 2,451 | 1,312 | 369 | 41,480 | |
| Statistical data: | | | | | | | | | |
| Return on average assets (a) | 1.28% | 1.48% | 1.84% | (1.29)% | 3.89% | 3.33% | N/M | 0.70% | |
| Net interest margin (b) | 4.46 | 5.35 | 5.19 | 3.14 | 5.88 | 4.40 | N/M | 3.14 | |
| Efficiency ratio | 60.30 | 53.19 | 55.16 | 77.62 | 40.47 | 33.16 | N/M | 69.33 | |

| | | | | | | | | Finance & Other | |
|--|-----------|-----------|----------|----------|---------------|---------------|------------|-----------------|--|
| Three Months Ended March 31, 2011 | Midwest | Western | Texas | Florida | Other Markets | International | Businesses | Total | |
| Earnings summary: | | | | | | | | | |
| Net interest income (expense) (FTE) | \$ 203 | \$ 164 | \$ 87 | \$ 11 | \$ 41 | \$ 18 | \$ (128) | \$ 396 | |
| Provision for loan losses | 34 | 11 | 4 | 8 | (7) | (1) | | 49 | |
| Noninterest income | 100 | 37 | 23 | 4 | 11 | 8 | 24 | 207 | |
| Noninterest expenses | 188 | 109 | 61 | 12 | 21 | 9 | 15 | 415 | |
| Provision (benefit) for income taxes (FTE) | | | | | | | | | |
| | 28 | 30 | 16 | (1) | | 6 | (43) | 36 | |
| Net income (loss) | \$ 53 | \$ 51 | \$ 29 | \$ (4) | \$ 38 | \$ 12 | \$ (76) | \$ 103 | |
| Net credit-related charge-offs | | | | | | | | | |
| | \$ 46 | \$ 26 | \$ 8 | \$ 8 | \$ 9 | \$ 4 | \$ | \$ 101 | |
| Selected average balances: | | | | | | | | | |
| Assets | \$ 14,307 | \$ 12,590 | \$ 7,031 | \$ 1,553 | \$ 3,242 | \$ 1,735 | \$ 13,317 | \$ 53,775 | |
| Loans | 14,104 | 12,383 | 6,824 | 1,580 | 2,960 | 1,671 | 29 | 39,551 | |
| Deposits | 18,230 | 12,235 | 5,786 | 367 | 2,298 | 1,328 | 354 | 40,598 | |
| Statistical data: | | | | | | | | | |
| Return on average assets (a) | 1.08% | 1.54% | 1.65% | (0.93)% | 4.70% | 2.79% | N/M | 0.77% | |
| Net interest margin (b) | 4.49 | 5.37 | 5.17 | 2.82 | 5.73 | 4.34 | N/M | 3.25 | |
| Efficiency ratio | 61.99 | 54.36 | 55.39 | 80.08 | 42.38 | 34.62 | N/M | 69.05 | |

| | | | | | | | | Finance & Other | |
|-------------------------------------|---------|---------|-------|---------|---------------|---------------|------------|-----------------|--|
| Three Months Ended June 30, 2010 | Midwest | Western | Texas | Florida | Other Markets | International | Businesses | Total | |
| Earnings summary: | | | | | | | | | |
| Net interest income (expense) (FTE) | \$ 211 | \$ 163 | \$ 81 | \$ 12 | \$ 44 | \$ 19 | \$ (106) | \$ 424 | |
| Provision for loan losses | 34 | 27 | (1) | 17 | 50 | (5) | 4 | 126 | |
| Noninterest income | 97 | 33 | 23 | 4 | 15 | 9 | 13 | 194 | |
| Noninterest expenses | 180 | 110 | 65 | 12 | 21 | 8 | 1 | 397 | |

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| | | | | | | | | |
|--|-----------|-----------|----------|----------|----------|----------|-----------|-----------|
| Provision (benefit) for income taxes (FTE) | 33 | 21 | 14 | (5) | (16) | 9 | (31) | 25 |
| Net income (loss) | \$ 61 | \$ 38 | \$ 26 | \$ (8) | \$ 4 | \$ 16 | \$ (67) | \$ 70 |
| Net credit-related charge-offs | \$ 44 | \$ 47 | \$ 8 | \$ 7 | \$ 40 | \$ | \$ | \$ 146 |
| Selected average balances: | | | | | | | | |
| Assets | \$ 14,626 | \$ 13,006 | \$ 6,652 | \$ 1,576 | \$ 3,934 | \$ 1,655 | \$ 14,809 | \$ 56,258 |
| Loans | 14,592 | 12,792 | 6,428 | 1,575 | 3,661 | 1,591 | 33 | 40,672 |
| Deposits | 17,988 | 11,951 | 5,316 | 404 | 2,212 | 1,052 | 748 | 39,671 |
| Statistical data: | | | | | | | | |
| Return on average assets (a) | 1.25% | 1.15% | 1.54% | (2.18)% | 0.46% | 3.90% | N/M | 0.50% |
| Net interest margin (b) | 4.66 | 5.13 | 5.05 | 2.94 | 4.91 | 4.62 | N/M | 3.28 |
| Efficiency ratio | 58.16 | 56.15 | 62.38 | 76.90 | 38.26 | 30.48 | N/M | 64.47 |

(a) Return on average assets is calculated based on the greater of average assets or average liabilities and attributed equity.

(b) Net interest margin is calculated based on the greater of average earning assets or average deposits and purchased funds.

FTE - Fully Taxable Equivalent

N/M - Not Meaningful

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (unaudited) (page 1 of 2)*Comerica Incorporated and Subsidiaries*

| (dollar amounts in millions) | Six Months Ended June 30, | |
|--|---------------------------|-----------|
| | 2011 | 2010 |
| Impact of Excess Liquidity on Net Interest Margin (FTE): | | |
| Net interest income (FTE) | \$ 788 | \$ 840 |
| Less: | | |
| Interest earned on excess liquidity (a) | 3 | 5 |
| Net interest income (FTE), excluding excess liquidity | \$ 785 | \$ 835 |
| Average earning assets | \$ 49,743 | \$ 52,385 |
| Less: | | |
| Average net unrealized gains on investment securities available-for-sale | 48 | 71 |
| Average earning assets for net interest margin (FTE) | 49,695 | 52,314 |
| Less: | | |
| Excess liquidity (a) | 2,843 | 3,905 |
| Average earning assets for net interest margin (FTE), excluding excess liquidity | \$ 46,852 | \$ 48,409 |
| Net interest margin (FTE) | 3.19% | 3.23% |
| Net interest margin (FTE), excluding excess liquidity | 3.37 | 3.47 |
| Impact of excess liquidity on net interest margin (FTE) | (0.18) | (0.24) |

| | 2011 | | | 2010 | |
|--|-----------|-----------|-----------|-----------|-----------|
| | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2nd Qtr |
| Impact of Excess Liquidity on Net Interest Margin (FTE): | | | | | |
| Net interest income (FTE) | \$ 392 | \$ 396 | \$ 406 | \$ 405 | \$ 424 |
| Less: | | | | | |
| Interest earned on excess liquidity (a) | 2 | 1 | 1 | 2 | 2 |
| Net interest income (FTE), excluding excess liquidity | \$ 390 | \$ 395 | \$ 405 | \$ 403 | \$ 422 |
| Average earning assets | \$ 50,136 | \$ 49,347 | \$ 49,102 | \$ 50,189 | \$ 51,835 |
| Less: | | | | | |
| Average net unrealized gains on investment securities available-for-sale | 74 | 22 | 139 | 180 | 80 |
| Average earning assets for net interest margin (FTE) | 50,062 | 49,325 | 48,963 | 50,009 | 51,755 |
| Less: | | | | | |
| Excess liquidity (a) | 3,382 | 2,297 | 1,793 | 2,983 | 3,719 |
| Average earning assets for net interest margin (FTE), excluding excess liquidity | \$ 46,680 | \$ 47,028 | \$ 47,170 | \$ 47,026 | \$ 48,036 |
| Net interest margin (FTE) | 3.14% | 3.25% | 3.29% | 3.23% | 3.28% |
| Net interest margin (FTE), excluding excess liquidity | 3.35 | 3.39 | 3.41 | 3.42 | 3.51 |
| Impact of excess liquidity on net interest margin (FTE) | (0.21) | (0.14) | (0.12) | (0.19) | (0.23) |

(a) Excess liquidity represented by interest earned on and average balances deposited with the FRB.

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The net interest margin (FTE), excluding excess liquidity, removes interest earned on balances deposited with the FRB from net interest income (FTE) and average balances deposited with the FRB from average earning assets from the numerator and denominator of the net interest margin (FTE) ratio, respectively. Comerica believes this measurement provides meaningful information to investors, regulators, management and others of the impact on net interest income and net interest margin resulting from Comerica's short-term investment in low yielding instruments.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (unaudited) (page 2 of 2)*Comerica Incorporated and Subsidiaries*

| | June 30, 2011 | March 31, 2011 | December 31, 2010 | September 30, 2010 | June 30, 2010 |
|--------------------------------------|------------------|-------------------|----------------------|-----------------------|------------------|
| Tier 1 Common Capital Ratio: | | | | | |
| Tier 1 capital (a) (b) | \$ 6,193 | \$ 6,107 | \$ 6,027 | \$ 5,940 | \$ 6,371 |
| Less: | | | | | |
| Trust preferred securities | | | | | 495 |
| Tier 1 common capital (b) | \$ 6,193 | \$ 6,107 | \$ 6,027 | \$ 5,940 | \$ 5,876 |
| Risk-weighted assets (a) (b) | \$ 58,790 | \$ 58,998 | \$ 59,506 | \$ 59,608 | \$ 59,877 |
| Tier 1 capital ratio (b) | 10.53% | 10.35% | 10.13% | 9.96% | 10.64% |
| Tier 1 common capital ratio (b) | 10.53 | 10.35 | 10.13 | 9.96 | 9.81 |
| Tangible Common Equity Ratio: | | | | | |
| Total common shareholders equity | \$ 6,038 | \$ 5,877 | \$ 5,793 | \$ 5,857 | \$ 5,792 |
| Less: | | | | | |
| Goodwill | 150 | 150 | 150 | 150 | 150 |
| Other intangible assets | 4 | 5 | 6 | 6 | 6 |
| Tangible common equity | \$ 5,884 | \$ 5,722 | \$ 5,637 | \$ 5,701 | \$ 5,636 |
| Total assets | \$ 54,141 | \$ 55,017 | \$ 53,667 | \$ 55,004 | \$ 55,885 |
| Less: | | | | | |
| Goodwill | 150 | 150 | 150 | 150 | 150 |
| Other intangible assets | 4 | 5 | 6 | 6 | 6 |
| Tangible assets | \$ 53,987 | \$ 54,862 | \$ 53,511 | \$ 54,848 | \$ 55,729 |
| Common equity ratio | 11.15% | 10.68% | 10.80% | 10.65% | 10.36% |
| Tangible common equity ratio | 10.90 | 10.43 | 10.54 | 10.39 | 10.11 |

(a) Tier 1 capital and risk-weighted assets as defined by regulation.

(b) June 30, 2011 Tier 1 capital and risk-weighted assets are estimated.

The Tier 1 common capital ratio removes preferred stock and qualifying trust preferred securities from Tier 1 capital as defined by and calculated in conformity with bank regulations. The tangible common equity removes preferred stock and the effect of intangible assets from capital and the effect of intangible assets from total assets. Comerica believes these measurements are meaningful measures of capital adequacy used by investors, regulators, management and others to evaluate the adequacy of common equity and to compare against other companies in the industry.