

# Comerica Incorporated

## First Quarter 2018 Financial Review

April 17, 2018



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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 presentation 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, including the Growth in Efficiency and Revenue initiative ("GEAR Up"), and forecasts of Comerica's revenue, earnings or other measures of economic performance, including statements of profitability, business segments and subsidiaries as well as estimates of the economic benefits of the GEAR Up initiative, 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. 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Comerica cautions that the foregoing list of factors is not all-inclusive. For discussion of factors that may cause actual results to differ from expectations, please refer to our filings with the Securities and Exchange Commission. In particular, please refer to "Item 1A. Risk Factors" beginning on page 11 of Comerica's Annual Report on Form 10-K for the year ended December 31, 2017. Forward-looking statements speak only as of the date they are made. Comerica does not undertake to update forward-looking statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are made. For any forward-looking statements made in this presentation or in any documents, Comerica claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

## Financial Summary

	1Q18	4Q17	1Q17
<b>Earnings per share<sup>1</sup></b>	\$1.59	\$0.63	\$1.11
<i>Adjusted earnings per share<sup>1,2</sup></i>	1.54	1.28	1.02
<b>Net interest income</b>	\$549	\$545	\$470
<i>Net interest margin</i>	3.41%	3.27%	2.85%
<b>Provision for credit losses</b>	\$12	\$17	\$16
<b>Noninterest income</b>	\$244	\$285	\$271
<i>Adjusted noninterest income<sup>2</sup></i>	244	251	245
<b>Noninterest expenses</b>	446	483	457
<i>Adjusted noninterest expenses<sup>2</sup></i>	430	431	420
<b>Net income</b>	281	112	202
<i>Adjusted net income<sup>2</sup></i>	271	226	185
<b>Efficiency ratio<sup>3</sup></b>	56.33%	58.14%	61.71%
<b>Return on average common shareholders' equity</b>	14.37	5.58	10.42
<b>Return on average assets</b>	1.62	0.62	1.14
<b>Common equity Tier 1 capital ratio</b>	11.96% <sup>4</sup>	11.68%	11.55%
<i>Average diluted shares (millions)</i>	175	176	180

\$ in millions, except per share data • <sup>1</sup>Diluted earnings per common share • <sup>2</sup>See Reconciliation of Non-GAAP Financial Measures located in Appendix • <sup>3</sup>Noninterest expenses, including restructuring charges, as a percentage of the sum of net interest income (FTE) & noninterest income excluding net securities gains (losses) • <sup>4</sup>Estimated



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## Reconciliation of Adjusted Net Income

	1Q18		4Q17		1Q17	
	\$	Per Share <sup>1</sup>	\$	Per Share <sup>1</sup>	\$	Per Share <sup>1</sup>
<i>(\$ in millions, except per share data)</i>						
Net income	\$281	\$1.59	\$112	\$0.63	\$202	\$1.11
Restructuring charges <sup>2</sup>	12	0.07	8	0.04	7	0.04
Deferred tax adjustment	(3)	(0.01)	107	0.61	—	—
One-time employee bonus <sup>2</sup>	—	—	3	0.02	—	—
Tax benefits from employee stock transactions	(19)	(0.11)	(4)	(0.02)	(24)	(0.13)
<b>Adjusted net income</b>	<b>\$271</b>	<b>\$1.54</b>	<b>\$226</b>	<b>\$1.28</b>	<b>\$185</b>	<b>\$1.02</b>
ROA	1.62%		0.62%		1.14%	
<i>Adjusted ROA<sup>3</sup></i>	1.56		1.26		1.05	
ROE	14.37		5.58		10.42	
<i>Adjusted ROE<sup>3</sup></i>	13.85		11.24		9.56	
Efficiency Ratio	56.33		58.14		61.71	
<i>Adjusted Efficiency<sup>3</sup></i>	54.32		54.23		58.79	

<sup>1</sup>Based on diluted average common shares • <sup>2</sup>Net of tax • <sup>3</sup>See Reconciliation of Non-GAAP Financial Measures located in Appendix



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## First Quarter 2018 Results

Reflect continued drive for greater efficiency & higher returns

		Change From	
	1Q18	4Q17	1Q17
Average loans	\$48,421	\$(512)	\$521
Average deposits	56,090	(1,551)	(1,689)
Net interest income	\$549	\$4	\$79
Provision for credit losses	12	(5)	(4)
Noninterest income	244	(41)	(27)
Adjusted noninterest income <sup>1</sup>	244	(7)	(1)
Noninterest expenses	446	(37)	(11)
Adjusted noninterest expenses <sup>1</sup>	430	(1)	10
Provision for income tax	54	(164)	(12)
Net income	281	169	79
Earnings per share <sup>2</sup>	\$1.59	\$0.96	\$0.48
Adjusted earnings per share <sup>1,2</sup>	1.54	0.26	0.52
Equity repurchases <sup>3</sup>	\$149	\$1	\$44

See slide 17 for detail on adoption of revenue & pension accounting standards

### Key QoQ Performance Drivers

- Loans reflect seasonality in Mortgage Banker & decline in Corporate Banking
- Deposits show typical 1Q decline
- Net interest income benefitted from rate increase partly offset by 2 fewer days
- Credit metrics remain strong
- Noninterest income decreased with lower syndication fees & BOLI
- Noninterest expenses declined with lower outside processing, advertising & business tax refund, partly offset by annual stock comp
- Lower tax due to lower tax rate, large 4Q17 adjustment to deferred taxes & benefits from employee stock transactions
- Active capital management continued

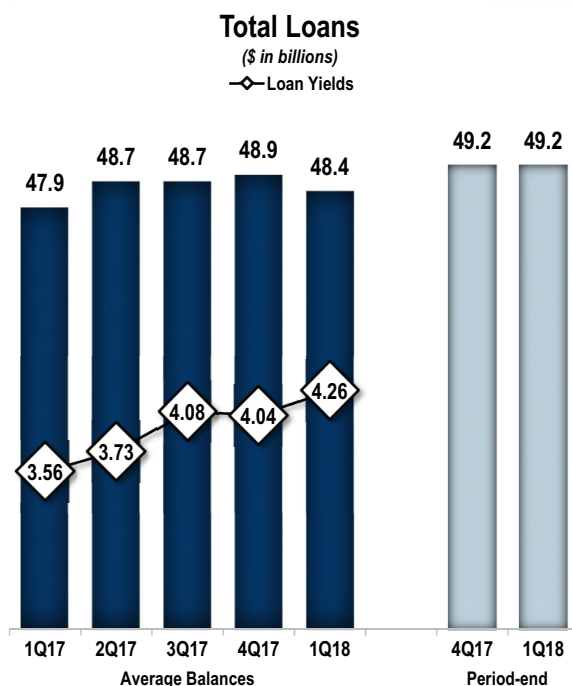
\$ in millions, except per share data • 1Q18 compared to 4Q17 • <sup>1</sup>See Reconciliation of Non-GAAP Financial Measures located in Appendix • <sup>2</sup>Diluted earnings per common share • <sup>3</sup>1Q18 repurchases under the equity repurchase program



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## Seasonality Impacts Loans

Loan yield increased 22 basis points



1Q18 compared to 4Q17

### Average loans

- \$427MM Mortgage Banker Finance
- \$413MM Corporate Banking
- \$127MM Energy
- + \$197MM National Dealer Services
- + \$86MM General Middle Market

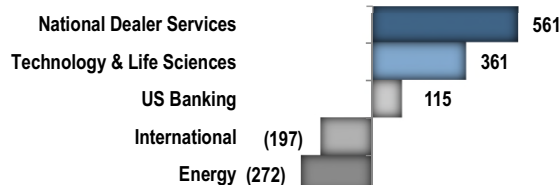
### Period-end loans stable

### Loan yield +22 bps

- + 27 bps due to increase in rates
- 3 bps other dynamics
- 2 bps nonaccrual interest

### Loans increased \$521MM 1Q18 v. 1Q17

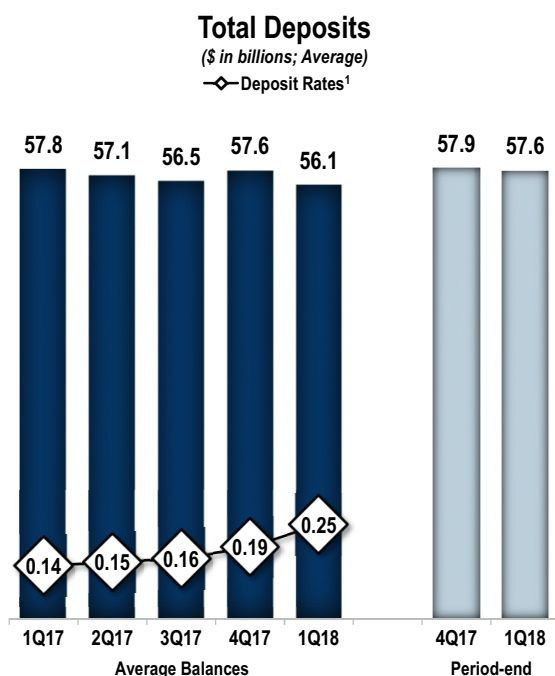
(\$ in billions; Average)



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## Deposits Decline with Seasonality

Deposits rates remain low



1Q18 compared to 4Q17 • <sup>1</sup>Interest costs on interest-bearing deposits • <sup>2</sup>At 3/31/18

### Average deposits

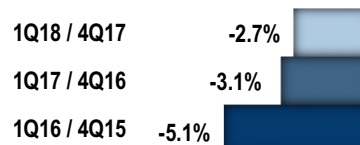
- Noninterest-bearing declined \$1.9B
- Interest-bearing increased \$360MM
- March deposits grew \$745MM over February

Loan to deposit ratio<sup>2</sup> of 85%

Continued prudent management of rates

### Deposit Seasonality

(Average)

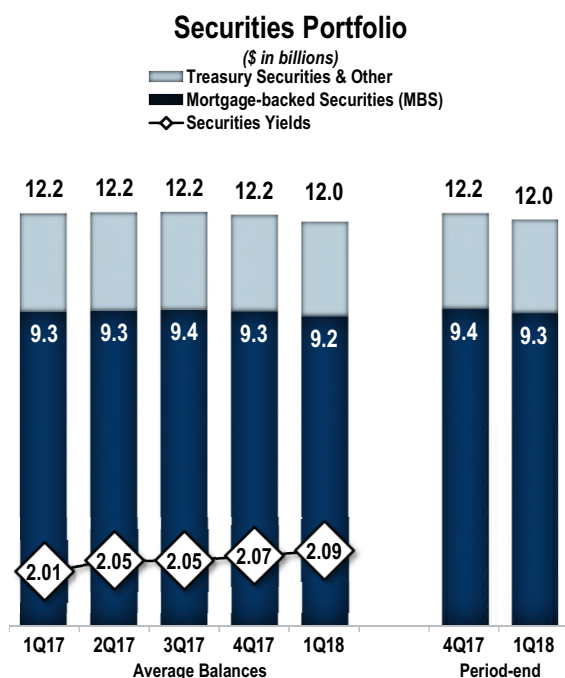


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## Securities Portfolio Stable

Replaced prepaids at slightly higher yield



3/31/18 • <sup>1</sup>Estimated as of 3/31/18 • <sup>2</sup>Net unrealized pre-tax gain/loss on the available-for-sale (AFS) portfolio • <sup>3</sup>Net unamortized premium on the MBS portfolio

### Duration of 3.3 years<sup>1</sup>

- Extends to 3.9 years under a 200 bps instantaneous rate increase<sup>1</sup>

Net unrealized pre-tax loss of \$270MM<sup>2</sup>

Net unamortized premium of \$18MM<sup>3</sup>

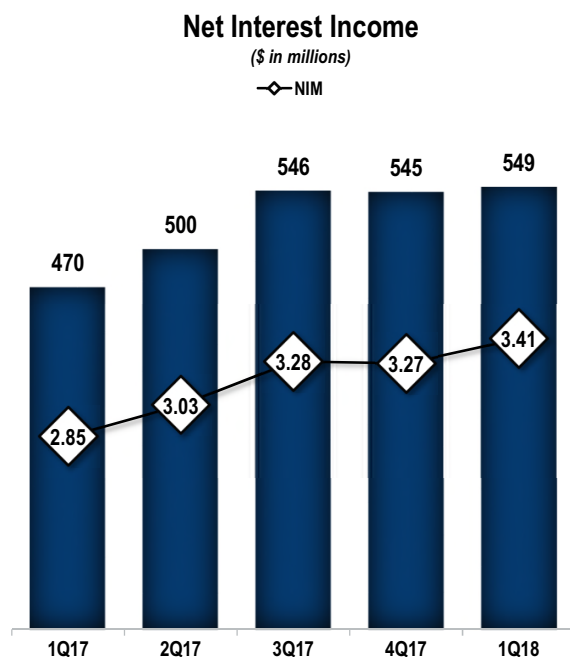
GNMA ~61% of MBS portfolio

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## Net Interest Income Benefits from Higher Rates

NIM increased 14 basis points



1Q18 compared to 4Q17

\$545MM	4Q17	3.27%
+ 11MM	Loan impacts: +\$32MM Higher rates (+20 bps) - \$10MM Two fewer days - \$ 5MM Lower average loans - \$ 4MM Other dynamics (-2 bps) - \$ 2MM Nonaccrual interest (-1 bp)	+0.17
+ 1MM	Balances at Fed: + Higher rates & lower balance	+ 0.03
- 3MM	Deposit costs: - Higher rates & higher balance	- 0.03
- 5MM	Wholesale funding: - Higher rates & higher balance	- 0.03
\$549MM	1Q18	3.41%

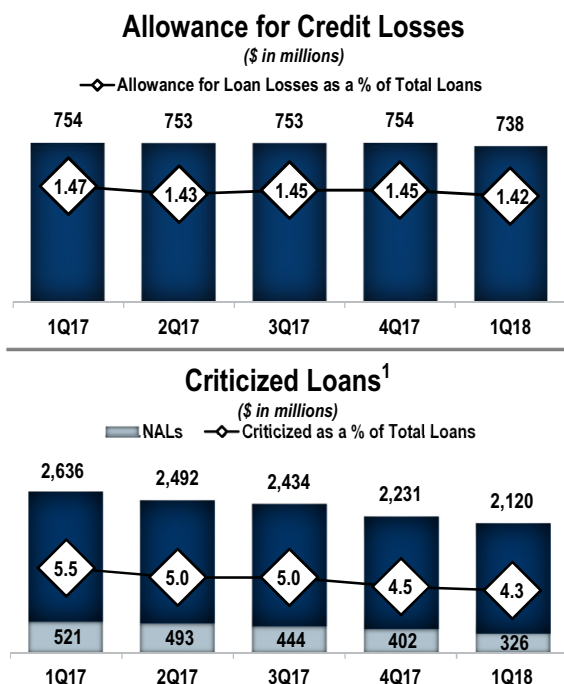
**Net Impact due to rates:  
\$27MM & 17 bps on the NIM**

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## Credit Quality Strong

Positive credit migration continued with declines in criticized & nonaccrual loans



### Portfolio Credit Metrics

\$ in millions	Energy	Ex-Energy	Total
Total loans	\$1,848	\$47,392	\$49,240
% of total CMA	4%	96%	100%
Criticized <sup>1</sup>	\$468	\$1,652	\$2,120
Ratio	25.3%	3.5%	4.3%
Q/Q change	\$(40)	\$(71)	\$(111)
Nonaccrual	\$102	\$224	\$326
Ratio	5.5%	0.5%	0.7%
Q/Q change	\$(6)	\$(70)	\$(76)
Net charge-offs <sup>2</sup>	-	28	28
Ratio <sup>3</sup>	-	0.23%	0.23%
Q/Q change	\$(1)	\$13	\$12
Allowance <sup>4</sup> /NPLs			209%
Allowance <sup>4</sup> /LTM NCOs			8.0x

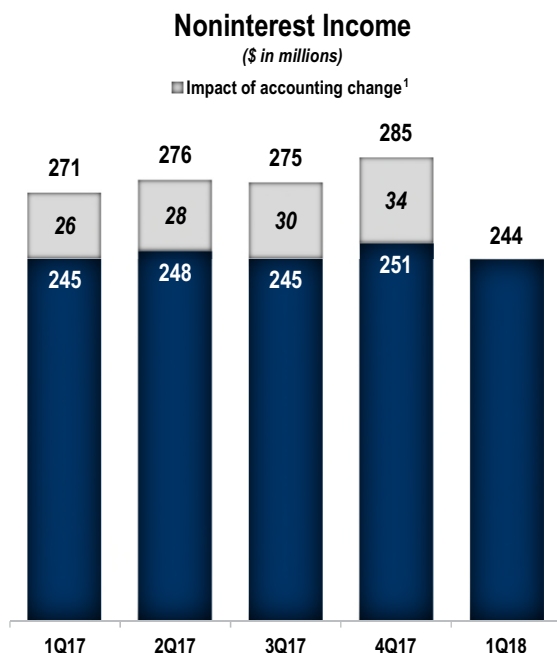
3/31/18 • <sup>1</sup>Criticized loans are consistent with regulatory defined Special Mention, Substandard, & Doubtful categories • <sup>2</sup>Net credit-related charge-offs • <sup>3</sup>Net credit-related charge-offs (annualized) to average loans • <sup>4</sup>Allowance for loan losses

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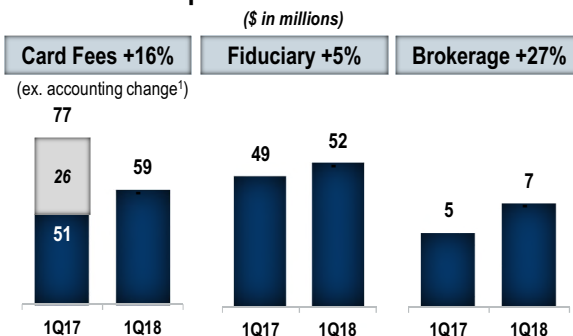
## Noninterest Income Decreased Following Strong 4Q17

Decreased \$7MM, ex. accounting change



- \$32MM Card (+\$1MM ex. accounting change)
- \$ 4MM Commercial lending (syndication)
- \$ 3MM Bank-owned life insurance
- \$ 2MM Customer Derivatives (other)
- + \$ 2MM Fiduciary
- + \$ 1MM Brokerage

### GEAR Up Remained on Track YoY



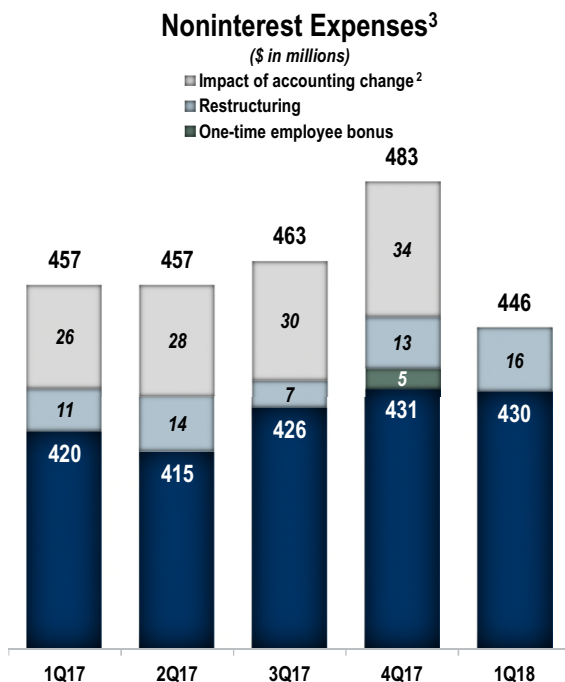
1Q18 compared to 4Q17 • <sup>1</sup>Effective 1/1/18, adopted new revenue recognition standard: noninterest income for certain products will be presented net of costs, effectively lowering both noninterest income and expense (see 10-K). See Reconciliation of Non-GAAP Financial Measures located in Appendix



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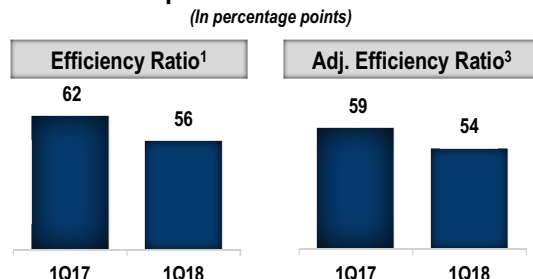
## Noninterest Expense Control: Efficiency ratio 56%<sup>1</sup>

Declined \$1MM, ex. accounting change, restructuring & one-time employee bonus



- \$38MM Outside processing fees (-\$4MM ex. accounting change)
- \$ 5MM Business tax refund (other)
- \$ 3MM Advertising
- \$ 2MM Occupancy
- + \$ 7MM Salaries & benefits
  - + Annual stock comp & higher payroll taxes
  - Two fewer days in 1Q18
  - 4Q17 one-time employee bonus
- + \$ 3MM Restructuring

### GEAR Up Remained on Track YoY



1Q18 compared to 4Q17 • <sup>1</sup>Noninterest expenses, including restructuring charges, as a percentage of the sum of net interest income (FTE) & noninterest income excluding net securities gains (losses) • <sup>2</sup>Effective 1/1/18, adopted new revenue recognition standard: noninterest income for certain products are presented net of costs, effectively lowering both noninterest income & expense (see 10-K) • <sup>3</sup>See Reconciliation of Non-GAAP Financial Measures located in Appendix



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## Active Capital Management

Continue to return excess capital to shareholders

### Share activity in 1Q18

- 1.6MM shares repurchased<sup>1</sup> (\$149MM)
- 1.2MM shares issued from employee stock activity
  - \$19MM tax benefit from employee stock transactions
- 175.1MM average diluted shares reflecting buyback, employee stock activity & higher stock price

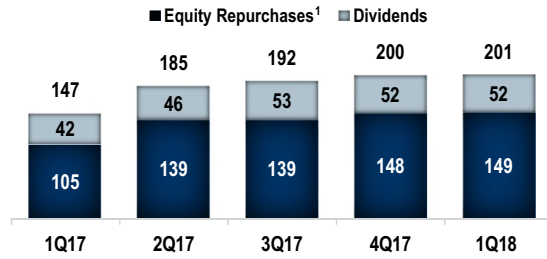
### 2017 CCAR Capital Plan (3Q17-2Q18)

- Equity repurchases up to \$605MM<sup>1</sup>
  - Completed \$436MM thru 3/31

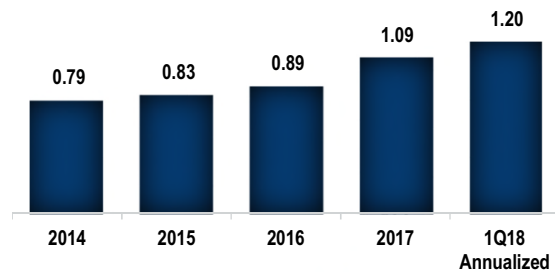
3/31/18 • <sup>1</sup>Shares repurchased under equity repurchase program

### Increasing Shareholder Payout

(\$ in millions)



### Dividends Per Share Growth



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## Benefit from Rate Increases

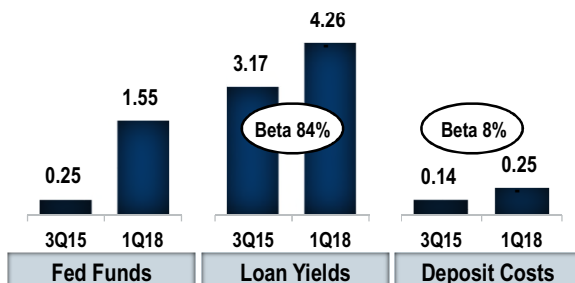
Drives significant revenue growth

### Est. Additional Net Interest Income<sup>1</sup>

	FY18 vs. FY17	1Q18 vs. 4Q17
FY17 rate increases	~\$125MM	\$22MM
1Q18 faster rise of LIBOR	~\$20MM	
Mar '18 rate increase	~\$60-70MM	\$5MM
<b>Total</b>	<b>~\$205-215MM</b>	<b>\$27MM</b>

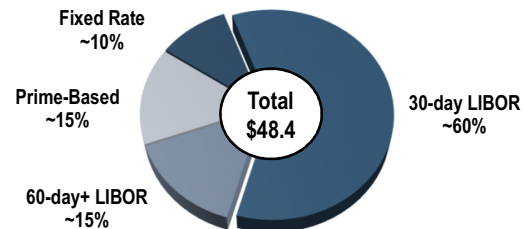
Outcomes may vary due to many variables, including balance sheet movements (loan & deposit levels), pace that LIBOR rises, deposit betas as well as incremental funding needs

### Cumulative Impact of Rate Increases<sup>2</sup>



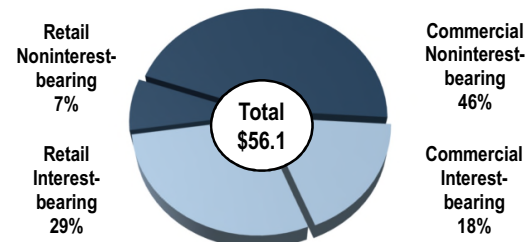
### Loans Predominantly Floating Rate

(\$ in billions; 1Q18 Average)



### Deposits Primarily Noninterest-bearing

(\$ in billions; 1Q18 Average)



3/31/18 • Outlook as of 4/17/18 • <sup>1</sup>Assumes increases in Fed Funds, Prime & LIBOR. For methodology see the Company's Form 10-K, as filed with the SEC. Estimates are based on simulation modeling analysis. • <sup>2</sup>Beta: change in loan yields or interest-bearing deposit costs expressed as a percentage of the increase in the federal funds rate

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## Management Outlook

Unchanged, except net interest income higher reflecting benefits of higher rates

Assuming continuation of current economic & rate environment ~\$270 million of benefits from GEAR Up initiative included <sup>1</sup>		
	FY18 Compared to FY17	2Q18 vs. 1Q18
<b>Average loans</b>	Higher <ul style="list-style-type: none"> <li>In line with growth in real GDP <ul style="list-style-type: none"> <li>Growth: Most lines of business, led by General Middle Market, Technology &amp; Life Sciences (Equity Fund Services), National Dealer Services &amp; Mortgage Banker</li> <li>Stable: Energy &amp; Corporate Banking</li> </ul> </li> </ul>	Higher
<b>Net interest income</b>	Higher <ul style="list-style-type: none"> <li>~\$205-215MM for full-year contribution of 2017 &amp; 1Q18 short-term rate increases</li> <li>Contribution from loan growth</li> <li>Elevated interest recoveries not expected to repeat (2017 \$28MM total)</li> </ul>	Higher
<b>Provision</b>	Slightly Higher <ul style="list-style-type: none"> <li>Provision of ~15-25 bps</li> <li>Net charge-offs to remain low</li> </ul>	Higher
<b>Noninterest income</b>	Higher <ul style="list-style-type: none"> <li>Increase ~4% (FY17 excl. \$120MM accounting change<sup>2</sup> &amp; \$8MM deferred comp) <ul style="list-style-type: none"> <li>Continued execution of GEAR Up initiatives to help drive growth, particularly in card, fiduciary, brokerage &amp; treasury management</li> </ul> </li> </ul>	Higher
<b>Noninterest expenses</b>	Slightly Higher <ul style="list-style-type: none"> <li>Increase ~1% (FY17 excl. \$120MM accounting change<sup>2</sup> &amp; \$45MM restructuring) <ul style="list-style-type: none"> <li>GEAR Up savings of additional \$50MM (2017 &gt;\$125MM)</li> <li>Offset by continued increases in technology costs &amp; typical inflationary pressures</li> </ul> </li> <li>Restructuring expenses ~\$47MM-\$57MM (2017 \$45MM)</li> <li>Efficiency ratio continues to improve</li> </ul>	Lower
<b>Tax Rate</b>	Lower <ul style="list-style-type: none"> <li>~23% of pre-tax income, excluding impact from employee stock transactions</li> </ul>	Unchanged

Outlook as of 4/17/18 • <sup>1</sup>Relative to when we began the initiative in June 2016. See slide 18 for further detail. • <sup>2</sup>Effective 1/1/18, adopted new revenue recognition standard: noninterest income for certain products are presented net of costs, effectively lowering both noninterest income & expense (see 10-K).



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## Appendix

commitment





# Adoption of Accounting Standards<sup>1</sup>

## Reclassifications due to change in revenue recognition and pension accounting

Revenue Recognition (Prospective <sup>2</sup> )		Prior Qtrs Not Restated			
	1Q18	4Q17	3Q17	2Q17	1Q17
Noninterest income					
Card fees	(34)	(33)	(29)	(26)	(25)
Deposit service charges	(1)	(1)	(1)	(2)	(1)
Noninterest expenses					
Outside processing fees	(35)	(34)	(30)	(28)	(26)

### Certain revenue items reported net of related costs

- Adoption of new accounting standard for revenue recognition resulted in change in presentation which records certain costs in same category as associated revenues
- Improves efficiency ratio
- No impact to bottom line
- Net presentation started 1Q18<sup>2</sup>

Pension Accounting (Retrospective)	All Qtrs Restated				
	1Q18	4Q17	3Q17	2Q17	1Q17
Noninterest expenses					
Salaries & benefits	13	13	12	12	12
Other noninterest expenses	(13)	(13)	(12)	(12)	(12)

### Certain components of pension benefit reported in other expenses

- Adoption of a new accounting standard for pension costs pertaining to actuarial estimates, other than employee service costs, resulted in reclassification
- Total annual pension costs unchanged at \$19MM credit per annum
- No impact to bottom line
- Retrospective application to prior quarters

<sup>1</sup>Effective 1/1/18, adopted new revenue recognition standard & pension accounting standard (see 10-K) • <sup>2</sup>Effective 1/1/18, adopted modified retrospective approach. Prior quarter impacts in chart presented for comparability purposes.



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# GEAR Up: Growth in Efficiency And Revenue

## Helping drive revenue growth & expense reductions

	Incremental	Total
<b>Expense Benefits</b> 	2016 ~\$ 25MM+	~\$ 25MM+
	2017 ~\$125MM	~\$150MM
	2018 ~\$ 50MM	~\$200MM
	2019 ~\$ 15MM	~\$215MM
<b>Revenue Benefits</b> 	2017 ~\$ 30MM	~\$ 30MM
	2018 ~\$ 40MM	~\$ 70MM
	2019 ~\$ 20MM	~\$ 90MM
<b>Restructuring Expenses</b> 	2016 \$ 93MM	\$ 93MM
	2017 \$ 45MM	\$138MM
	2018 ~\$47-57MM	~\$185-195MM

### Revenue enhancements

- Continue to drive further growth & deeper customer relationships
  - Product enhancements
  - Training & new analytics
  - Sales force productivity tools result in additional capacity

### Expense opportunities

- Rationalize & modernize IT applications
  - Optimize infrastructure platforms
  - Process automation
  - Migrate certain applications to cloud
- Office & operational space consolidation

Pre-tax \$ • Estimates and outlook as of 4/17/18



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## Average Loans by Business and Market

By Line of Business	1Q18	4Q17	1Q17
Middle Market			
<i>General</i>	\$11.8	\$11.7	\$11.9
<i>Energy</i>	1.9	2.0	2.1
<i>National Dealer Services</i>	7.3	7.1	6.8
<i>Entertainment</i>	0.7	0.7	0.7
<i>Tech. &amp; Life Sciences</i>	3.5	3.5	3.2
<i>Environmental Services</i>	1.0	1.0	0.9
Total Middle Market	\$26.2	\$26.0	\$25.4
Corporate Banking			
<i>US Banking</i>	3.2	3.4	3.0
<i>International</i>	1.3	1.4	1.5
Mortgage Banker Finance	1.4	1.9	1.5
Commercial Real Estate	5.3	5.2	5.3
<b>BUSINESS BANK</b>	<b>\$37.4</b>	<b>\$37.9</b>	<b>\$36.8</b>
Small Business	3.7	3.8	3.8
Retail Banking	2.1	2.1	2.1
<b>RETAIL BANK</b>	<b>\$5.8</b>	<b>\$5.8</b>	<b>\$5.9</b>
Private Banking	5.2	5.2	5.2
<b>WEALTH MANAGEMENT</b>	<b>\$5.2</b>	<b>\$5.2</b>	<b>\$5.3</b>
<b>TOTAL</b>	<b>\$48.4</b>	<b>\$48.9</b>	<b>\$47.9</b>

By Market	1Q18	4Q17	1Q17
Michigan	\$12.6	\$12.8	\$12.6
California	18.3	18.2	17.7
Texas	9.8	9.8	10.1
Other Markets <sup>1</sup>	7.6	8.1	7.5
<b>TOTAL</b>	<b>\$48.4</b>	<b>\$48.9</b>	<b>\$47.9</b>

- Middle Market: Serving companies with revenues generally between \$20-\$500MM
- Corporate Banking: Serving companies (and their U.S. based subsidiaries) with revenues generally over \$500MM
- Small Business: Serving companies with revenues generally under \$20MM

\$ in billions • Totals shown above may not foot due to rounding • <sup>1</sup>Other Markets includes Florida, Arizona, the International Finance Division and businesses that have a significant presence outside of the three primary geographic markets.



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## Average Deposits by Business and Market

By Line of Business	1Q18	4Q17	1Q17
Middle Market			
<i>General</i>	\$14.0	\$14.6	\$15.0
<i>Energy</i>	0.6	0.6	1.0
<i>National Dealer Services</i>	0.3	0.3	0.3
<i>Entertainment</i>	0.1	0.1	0.1
<i>Tech. &amp; Life Sciences</i>	5.9	5.7	5.7
<i>Environmental Services</i>	0.2	0.2	0.1
Total Middle Market	\$21.1	\$21.5	\$22.3
Corporate Banking			
<i>US Banking</i>	2.0	2.4	\$2.4
<i>International</i>	2.0	2.1	2.2
Mortgage Banker Finance	0.6	0.6	0.7
Commercial Real Estate	1.6	2.1	2.1
<b>BUSINESS BANK</b>	<b>\$27.3</b>	<b>\$28.7</b>	<b>\$29.6</b>
Small Business	3.2	3.3	3.2
Retail Banking	20.9	20.9	20.6
<b>RETAIL BANK</b>	<b>\$24.1</b>	<b>\$24.2</b>	<b>\$23.8</b>
Private Banking	3.6	4.0	3.7
<b>WEALTH MANAGEMENT</b>	<b>\$3.8</b>	<b>\$4.2</b>	<b>\$4.0</b>
Finance/ Other <sup>2</sup>	0.9	0.5	0.4
<b>TOTAL</b>	<b>\$56.1</b>	<b>\$57.6</b>	<b>\$57.8</b>

By Market	1Q18	4Q17	1Q17
Michigan	\$21.2	\$21.8	\$22.1
California	17.1	18.2	17.2
Texas	9.2	9.4	10.1
Other Markets <sup>1</sup>	7.7	7.7	7.9
Finance/ Other <sup>2</sup>	0.9	0.5	0.4
<b>TOTAL</b>	<b>\$56.1</b>	<b>\$57.6</b>	<b>\$57.8</b>

- Middle Market: Serving companies with revenues generally between \$20-\$500MM
- Corporate Banking: Serving companies (and their U.S. based subsidiaries) with revenues generally over \$500MM
- Small Business: Serving companies with revenues generally under \$20MM

\$ in billions • Totals shown above may not foot due to rounding • <sup>1</sup>Other Markets includes Florida, Arizona, the International Finance Division and businesses that have a significant presence outside of the three primary geographic markets. • <sup>2</sup>Finance/ Other includes items not directly associated with the geographic markets or the three major business segments



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## Interest Rate Sensitivity

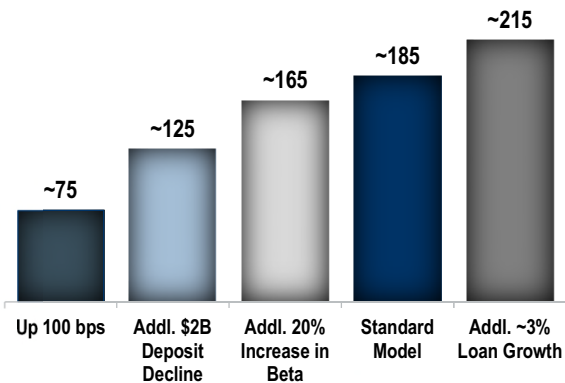
Remain well positioned for rising rates

### Standard Model Assumptions

Interest Rates	200 bps gradual, non-parallel rise
Loan Balances	Modest increase
Deposit Balances	Moderate decrease
Deposit Pricing (Beta)	Historical price movements with short-term rates
Securities Portfolio	Held flat with prepayment reinvestment
Loan Spreads	Held at current levels
MBS Prepayments	Third-party projections and historical experience
Hedging (Swaps)	No additions modeled

### Estimated Net Interest Income: Annual (12 month) Sensitivities

*Based on Various Assumptions*  
Additional Scenarios are Relative to 1Q18 Standard Model  
(\$ in millions)



3/31/18 • For methodology see the Company's Form 10-K, as filed with the SEC. Estimates are based on simulation modeling analysis.

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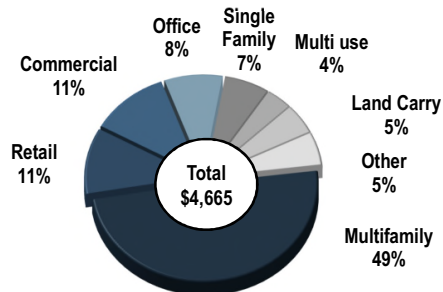
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## Commercial Real Estate Line of Business

Long history of working with well established, proven developers

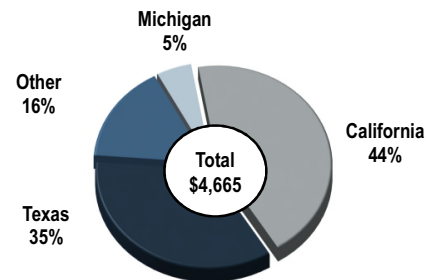
### CRE by Property Type<sup>1</sup>

(\$ in millions; Period-end)



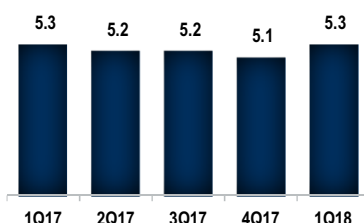
### CRE by Market<sup>1</sup>

(\$ in millions; Period-end, based on location of property)



### Period-end Loans<sup>2</sup>

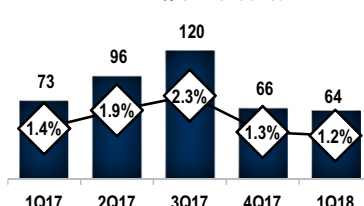
(\$ in billions)



### Criticized Loans<sup>3</sup>

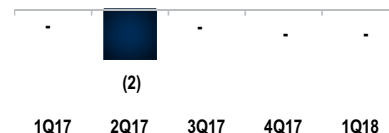
(\$ in millions)

— % CRE Criticized



### Net Charge-offs (Recoveries)

(\$ in millions)



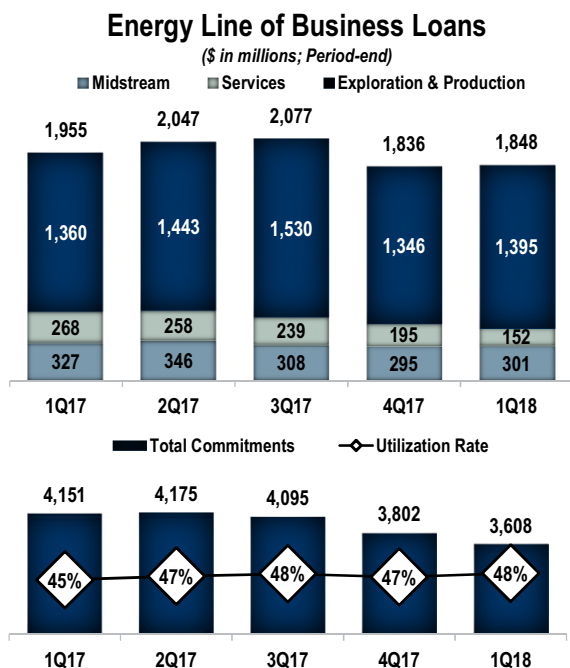
3/31/18 • <sup>1</sup>Excludes CRE line of business loans not secured by real estate • <sup>2</sup>Includes CRE line of business loans not secured by real estate • <sup>3</sup>Criticized loans are consistent with regulatory defined Special Mention, Substandard & Doubtful categories

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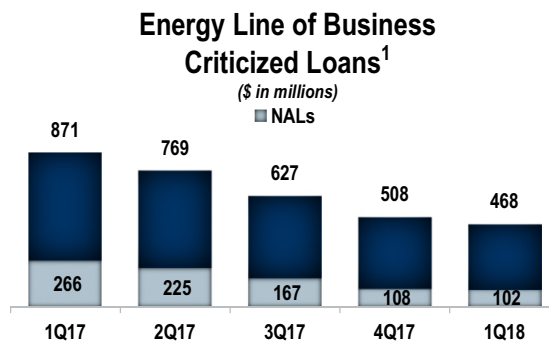
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## Energy Line of Business

Credit quality continues to improve; balances stable



- Focus on full relationships with larger, sophisticated E&P companies (access to a variety of capital sources, hedging & diverse geographic footprint)
- Expect to maintain portfolio at ~4% of total loans
- Robust analysis of collateral (97% of loans have security at 12/31)



3/31/18 • <sup>1</sup>Criticized loans are consistent with regulatory defined Special Mention, Substandard & Doubtful categories

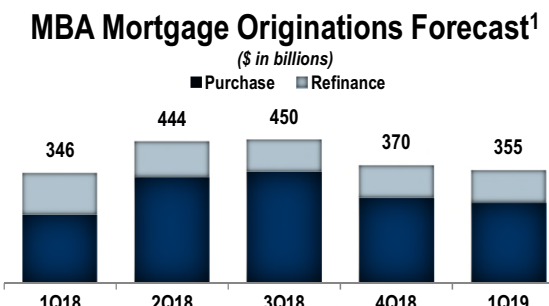


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## Mortgage Banker Finance

50+ years experience with reputation for consistent, reliable approach

- Provide warehouse financing: bridge from residential mortgage origination to sale to end market
- Extensive backroom provides collateral monitoring and customer service
- Focus on full banking relationships
- Granular portfolio with 100+ relationships
- Underlying mortgages are typically related to home purchases as opposed to refinances  
As of 1Q18:
  - Comerica: ~80% purchase
  - Industry: ~60% purchase<sup>1</sup>
- Strong credit quality
  - No charge-offs since 2010



3/31/18 • <sup>1</sup>Source: Mortgage Bankers Association (MBA) Mortgage Finance Forecast as of 3/20/18; 1Q18 also estimated • <sup>2</sup>\$ in billions



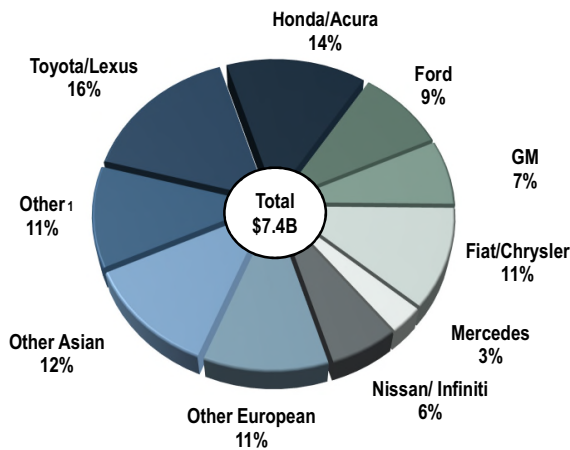
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## National Dealer Services

65+ years of floor plan lending

### Franchise Distribution

(Based on period-end loan outstandings)



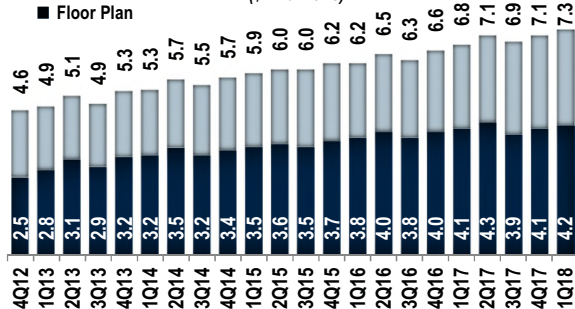
### Geographic Dispersion

California	61%	Texas	8%
Michigan	21%	Other	10%

- Top tier strategy
- Focus on "Mega Dealer" (five or more dealerships in group)
- Strong credit quality
- Robust monitoring of company inventory and performance

### Average Loans

(\$ in billions)



3/31/18 • <sup>1</sup>Other includes obligations where a primary franchise is indeterminable (rental car and leasing companies, heavy truck, recreational vehicles, and non-floor plan loans)

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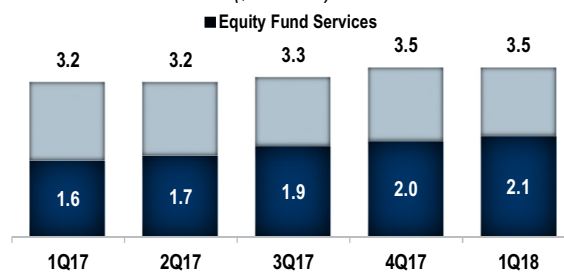
## Technology and Life Sciences

20+ years experience provides competitive advantage

- Strong relationships with top-tier investors
- Granular portfolio: ~800 customers (including ~225 customers in Equity Fund Services)
- Manage concentration to numerous verticals to ensure widely diversified portfolio
- Closely monitor cash balances and maintain robust backroom operation
- 11 offices throughout US & Canada
- Recent growth driven by Equity Fund Services
  - Commercial banking services for venture capital & private equity firms
  - Bridge financing for capital calls
  - Strong credit profile

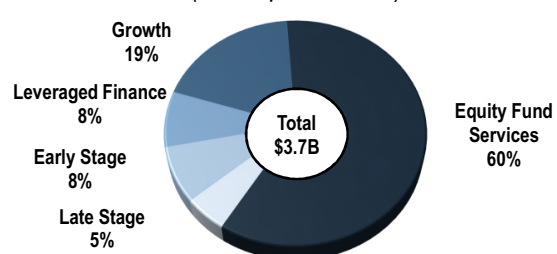
### Technology & Life Sciences Avg. Loans

(\$ in billions)



### Customer Segment Overview

(based on period-end loans)



3/31/18

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## Holding Company Debt Rating

	<u>Senior Unsecured/Long-Term Issuer Rating</u>	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>
Peer Banks	BB&T	A2	A-	A+
	Cullen Frost	A3	A-	--
	M&T Bank	A3	A-	A
	<b>Comerica</b>	<b>A3</b>	<b>BBB+</b>	<b>A</b>
	BOK Financial Corporation	A3	BBB+	A
	Huntington	Baa1	BBB	A-
	Fifth Third	Baa1	BBB+	A-
	KeyCorp	Baa1	BBB+	A-
	SunTrust	Baa1	BBB+	A-
	Regions Financial	Baa2	BBB+	BBB+
Large Banks	First Horizon National Corp	Baa3	BBB-	BBB-
	Zions Bancorporation	Baa3	BBB-	--
	U.S. Bancorp	A1	A+	AA-
	Wells Fargo & Company	A2	A-	A+
	PNC Financial Services Group	A3	A-	A+
	JP Morgan	A3	A-	A+
	Bank of America	A3	A-	A

As of 4/12/18 • Source: S&P Global Market Intelligence • Debt Ratings are not a recommendation to buy, sell, or hold securities



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## Reconciliation of Non-GAAP Financial Measures

<i>(dollar amounts in millions, except per share data)</i>	1Q18	4Q17	1Q17	<i>(dollar amounts in millions, except per share data)</i>	1Q18	4Q17	1Q17
<b>Adjusted Earnings per Common Share:</b>				<b>Adjusted Net Income, ROA and ROE:</b>			
Net income available to common shareholders	\$279	\$112	\$200	Net income	\$281	\$112	\$202
Restructuring charges, net of tax	12	8	7	Restructuring charges, net of tax	12	8	7
Deferred tax adjustment	(3)	107	—	Deferred tax adjustment	(3)	107	—
One-time employee bonus, net of tax	—	3	—	One-time employee bonus, net of tax	—	3	—
Tax benefits from employee stock transactions	(19)	(4)	(24)	Tax benefits from employee stock transactions	(19)	(4)	(24)
Adjusted net income available to common shareholders	\$269	\$226	\$183	Adjusted net income	\$271	\$226	\$185
Diluted average common shares (in millions)	175	176	180	<b>Average assets</b>	\$70,326	\$71,398	\$71,819
Reported diluted earnings per common share	\$1.59	\$0.63	\$1.11	Reported ROA	1.62%	0.62%	1.14%
Adjusted diluted earnings per common share	1.54	1.28	1.02	Adjusted ROA	1.56	1.26	1.05
<b>Adjusted Noninterest Income, Noninterest Expenses and Efficiency Ratio:</b>				<b>Average common shareholder's equity</b>	\$7,927	\$7,987	\$7,865
Noninterest income	\$244	\$285	\$271	Reported ROE	14.37%	5.58%	10.42%
Proforma effect of adopting new accounting standard	—	(34)	(26)	Adjusted ROE	13.85	11.24	9.56
Adjusted noninterest income	\$244	\$251	\$245				
Noninterest Expenses	\$446	\$483	\$457				
Proforma effect of adopting new accounting standard	—	(34)	(26)				
Restructuring charges	(16)	(13)	(11)				
One-time employee bonus	—	(5)	—				
Adjusted noninterest expenses	\$430	\$431	\$420				
Net interest income	\$549	\$545	\$470				
<b>Efficiency ratio:</b>							
Reported	56.33%	58.14%	61.71%				
Adjusted	54.32	54.23	58.79				

Comerica believes non-GAAP measures are meaningful because they reflect adjustments commonly made by management, investors, regulators and analysts to evaluate the adequacy of common equity and performance trends. Comerica believes the adjusted data shown above provides a greater understanding of ongoing operations and enhances comparability of results with prior periods.



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