

Comerica Incorporated

Third Quarter 2021 Financial Review

October 20, 2021

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3Q21 Review

Comerica Bank

Driving Shareholder Value by supporting our Customers, Employees & Communities



Environmental, Social & Governance (ESG)

Received **Leaders in Financial Education Award** from Texas Bankers Foundation

5-Star recognition in **Corporate Inclusion Index** from Hispanic Association on Corporate Responsibility

Launched national **Asian & Pacific Islanders Employee Resource Group**

\$1.8B PPP loans completed forgiveness process in 3Q21

\$1.5B in green loans & commitments as of 9/30/21; up 34% over 9/30/20

Diversity, Equity & Inclusion Progress Report published; highlights strong commitment & strategy

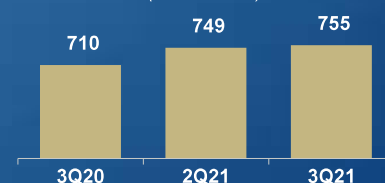
13th consecutive **Corporate Responsibility** related report released, providing overview of ESG performance

Submitted 2021 **CDP Climate Change Questionnaire**

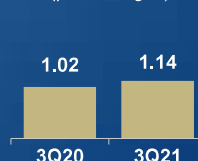


Financial Performance

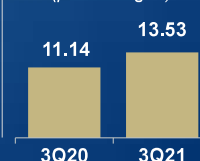
Revenue
(\$ in millions)



ROA^{1,2}
(percentages)



ROE^{1,3}
(percentages)



9/30/21 • ¹Recast 2020 results. See Pension Plan Reconciliation slide in appendix • ²Return on average assets • ³Return on common shareholders' equity

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3Q21 Results

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Revenue growth & strong credit quality

(millions, except per share data)				Change From	
	3Q21	2Q21	3Q20	2Q21	3Q20
Average loans	\$48,135	\$49,828	\$52,013	\$(1,693)	\$(3,878)
Average loans, ex. PPP	46,475	46,369	48,231	106	(1,756)
Average deposits	79,115	75,520	68,763	3,595	10,352
Net interest income	475	465	458	10	17
Provision for credit losses	(42)	(135)	5	93	(47)
Noninterest income¹	280	284	252	(4)	28
Noninterest expenses^{1,2}	465	463	438	2	27
Provision for income tax²	70	93	50	(23)	20
Net income²	262	328	217	(66)	45
Earnings per share^{2,3}	\$1.90	\$2.32	\$1.48	\$(0.42)	\$0.42
Book Value per Share⁴	56.55	56.28	53.78		
CET1⁵	10.21%	10.35%	10.25%		

Key Performance Drivers 3Q21 compared to 2Q21

- **Loans:** growth in several businesses more than offset by PPP & Dealer
- **Deposits:** up 5%
- **Net interest income:** up 2%, with loan fees & liquidity deployment
- **Reserve release:** Reserve ratio 1.33%; Net charge-offs 1 bp; Criticized & nonaccrual loans down
- **Noninterest income:** remained robust; record warrant income & loan fees offset by card & deferred comp decline
- **Expenses:** driven by revenue producing activity; efficiency ratio stable
- **Capital:** repurchased 3MM shares⁶

¹Includes gains related to deferred comp plan of 0- 3Q21, \$6MM 2Q21, & \$8MM 3Q20 • ²Recast 2020 results. See Pension Plan Reconciliation slide • ³Diluted earnings per common share • ⁴Common shareholders' equity per share of common stock • ⁵Estimated; Reflects deferral of CECL standard impact as calculated per regulatory guidance • ⁶Shares repurchased under share repurchase program

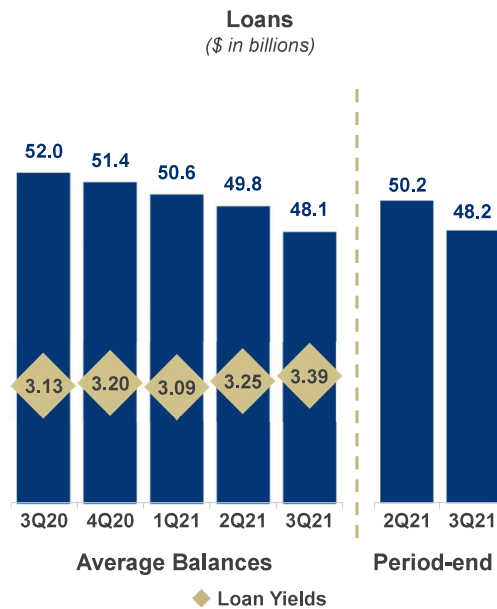
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Loans

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Solid performance offset by PPP forgiveness & auto dealer supply issues



Average loans declined \$1.7B¹

Ex. PPP, average loans grew \$106MM

- + \$357MM General Middle Market
- + \$255MM Equity Fund Services
- + \$192MM Environmental Services
- + \$155MM Entertainment
- + \$498MM National Dealer
- + \$167MM Mortgage Banker

Paycheck Protection Program (PPP)

- \$1.7B average loans, \$1.8B decrease
- \$1.0B period-end loans, \$1.8B decrease

Line Utilization stable at 47%

- Commitments increased ~\$870MM

Loan yields increased 14 bps

- + 14 bps net impact of PPP
- + 3 bps loan fees (ex-PPP)
- 3 bps rates (including swap maturities)
- \$14.4B average loan floors at average rate of 71 bps

3Q21 compared to 2Q21 • ¹See Average Loans slide in Appendix for more details

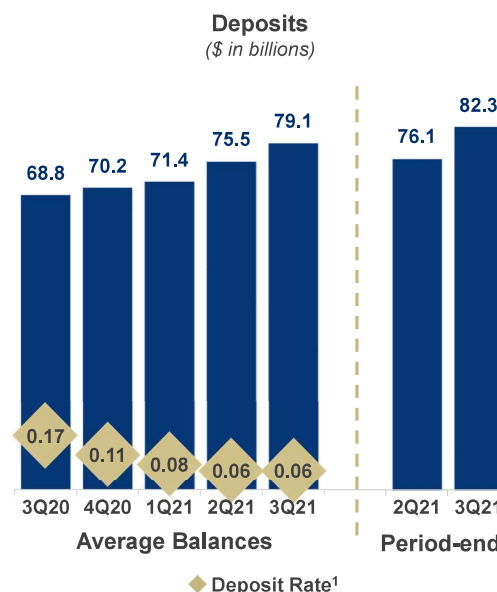
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Deposits

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Broad-based growth drove deposits to another record



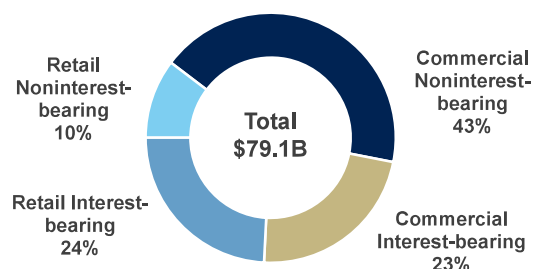
Average deposits increased \$3.6B

- + \$1.6B noninterest-bearing
- + \$2.0B interest-bearing

Loan to deposit ratio² 59%

Total funding costs steady at 7 bps³

Beneficial Deposit Mix
(3Q21 Average)



3Q21 compared to 2Q21 • ¹Interest costs on interest-bearing deposits • ²At 9/30/2021 • ³Interest incurred on liabilities as a percent of average noninterest-bearing deposits and interest-bearing liabilities

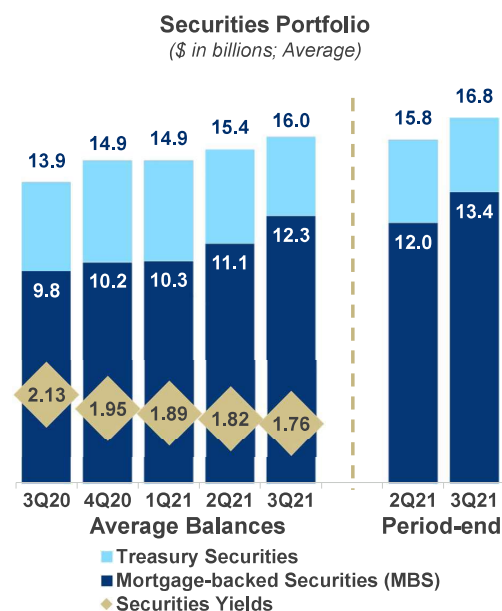
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Securities Portfolio

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Impact on interest income of lower yields offset by larger portfolio size



9/30/21 • ¹Estimated as of 9/30/21 • ²On the MBS portfolio

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Portfolio size increased

- Goal: mitigate headwind from lower reinvestment yields by gradually deploying excess liquidity
- Period-end increased \$1.0B
 - + \$2.5B MBS purchases
 - \$1.0B MBS payments
 - \$400MM Treasury maturities

Duration of 4.0 years¹

- Extends to 5.8 years under a 200 bps instantaneous rate increase¹

Net unrealized pre-tax loss of \$4MM

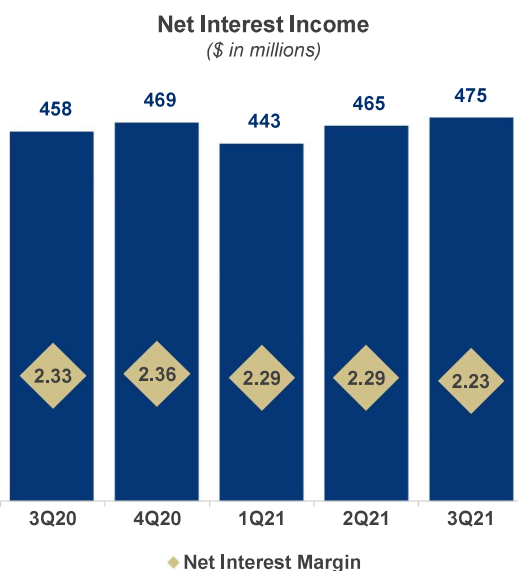
Net unamortized premium of \$87MM²

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Net Interest Income

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NII increased \$10MM; NIM impacted by excess liquidity



3Q21 compared to 2Q21 • ¹See Paycheck Protection Program (PPP) slide in appendix for more detail

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\$465MM		2Q21	2.29%
+ 7MM		Loans	+ 0.06
+ 4MM	1 additional day		--
+ 3MM	Fees ex. PPP		+ 0.02
+ 2MM	Balances ex. PPP		--
+ 2MM	Net Impact of PPP ¹		+ 0.05
- 4MM	Rates		- 0.01
--		Securities	- 0.02
+ 4MM	Balances		--
- 4MM	Rates		- 0.02
+ 3MM		Fed Balances	- 0.10
+ 2MM	Balances		- 0.11
+ 1MM	Rates		+ 0.01
\$475MM		3Q21	2.23%

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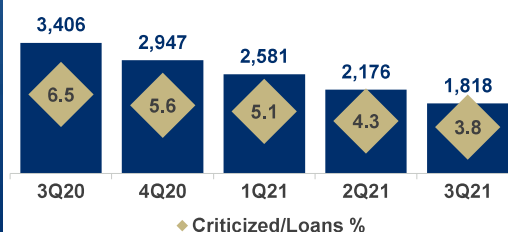
Credit Quality



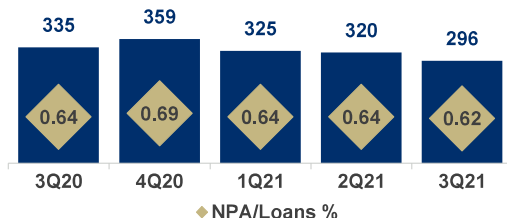
Reserve level reflects strong credit metrics & economic outlook

- \$2MM, or 1 bp, net charge-offs
 - \$26MM gross charge-offs
 - \$24MM recoveries
- \$358MM decrease in criticized loans
 - \$262MM Middle Market General
 - \$ 75MM Energy
- \$24MM decrease in nonperforming assets
 - \$ 24MM Energy

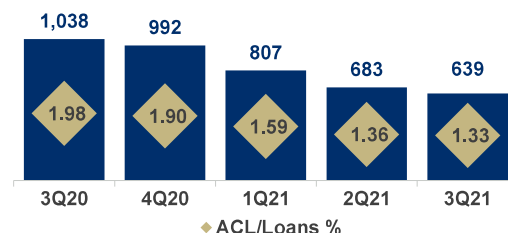
Criticized Loans¹ below Historic Average (\$ in millions)



Nonperforming Assets Decreased (\$ in millions)



Reserve Continues to Decline (\$ in millions)



9/30/21 • ¹Criticized loans are consistent with regulatory defined Special Mention, Substandard, & Doubtful categories

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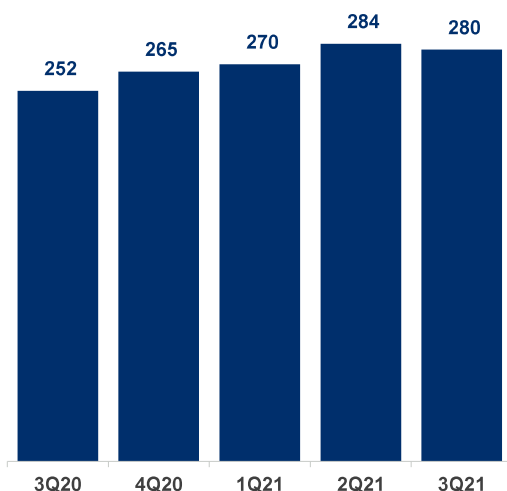
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Noninterest Income



Strong activity continued

Noninterest Income¹ (\$ in millions)



Decreased \$4MM

- + \$ 7MM Warrant-related income (Other)
- + \$ 4MM Commercial Lending Fees (Syndication)
- + \$ 3MM Deposit Service Charges
- + \$ 3MM BOLI
- \$12MM Card Fees
- \$ 6MM Deferred Comp (Other)
(offset in noninterest expense)
- \$ 2MM Derivative Income (includes CVA +\$2MM)²
- \$ 2MM Fiduciary Income

Increased \$28MM, or 11%, over 3Q20

3Q21 compared to 2Q21 • ¹Includes gains (losses) related to deferred comp plan of \$8MM 3Q20, \$9MM 4Q20, \$3MM 1Q21, \$6MM 2Q21, -0- 3Q21 (offset in noninterest expense) • ²Combined customer derivative income and foreign exchange income. See 3Q21 press release for further detail

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