

COMERICA INC /NEW/  
Form 10-Q  
August 02, 2011  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2011

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-10706

**Comerica Incorporated**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**38-1998421**  
(I.R.S. Employer  
Identification No.)

**Comerica Bank Tower**

**1717 Main Street, MC 6404**

**Dallas, Texas 75201**

(Address of principal executive offices)

(Zip Code)

**(214) 462-6831**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act:

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

\$5 par value common stock:

Outstanding as of July 25, 2011: 176,777,667 shares

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**COMERICA INCORPORATED AND SUBSIDIARIES**

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<i>(in millions, except share data)</i>	<b>June 30, 2011</b> <i>(unaudited)</i>	<b>December 31, 2010</b>	<b>June 30, 2010</b> <i>(unaudited)</i>
<b>ASSETS</b>			
Cash and due from banks	\$ 987	\$ 668	\$ 816
Interest-bearing deposits with banks	2,479	1,415	3,409
Other short-term investments	124	141	134
Investment securities available-for-sale	7,537	7,560	7,188
Commercial loans	22,052	22,145	21,151
Real estate construction loans	1,728	2,253	2,774
Commercial mortgage loans	9,579	9,767	10,318
Residential mortgage loans	1,491	1,619	1,606
Consumer loans	2,232	2,311	2,443
Lease financing	949	1,009	1,084
International loans	1,162	1,132	1,226
Total loans	39,193	40,236	40,602
Less allowance for loan losses	(806)	(901)	(967)
Net loans	38,387	39,335	39,635
Premises and equipment	641	630	634
Customers liability on acceptances outstanding	10	9	24
Accrued income and other assets	3,976	3,909	4,045
Total assets	\$ 54,141	\$ 53,667	\$ 55,885
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>			
Noninterest-bearing deposits	\$ 16,344	\$ 15,538	\$ 15,769
Money market and NOW deposits	18,033	17,622	16,062
Savings deposits	1,462	1,397	1,407
Customer certificates of deposit	5,551	5,482	5,893
Other time deposits			165
Foreign office time deposits	368	432	484
Total interest-bearing deposits	25,414	24,933	24,011
Total deposits	41,758	40,471	39,780
Short-term borrowings	67	130	200
Acceptances outstanding	10	9	24
Accrued expenses and other liabilities	1,062	1,126	1,048
Medium- and long-term debt	5,206	6,138	9,041

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Total liabilities	48,103	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
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	\$ 54,141	\$ 53,667	\$ 55,885

*See notes to consolidated financial statements.*

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

<i>(in millions, except per share data)</i>	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>INTEREST INCOME</b>				
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
<b>Total interest income</b>	<b>431</b>	<b>476</b>	<b>865</b>	<b>952</b>
<b>INTEREST EXPENSE</b>				
Interest on deposits	23	29	45	64
Interest on medium- and long-term debt	17	25	34	51
<b>Total interest expense</b>	<b>40</b>	<b>54</b>	<b>79</b>	<b>115</b>
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
<b>NONINTEREST INCOME</b>				
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
<b>Total noninterest income</b>	<b>202</b>	<b>194</b>	<b>409</b>	<b>388</b>
<b>NONINTEREST EXPENSES</b>				
Salaries	185	179	373	348
Employee benefits	50	45	100	89
<b>Total salaries and employee benefits</b>	<b>235</b>	<b>224</b>		