

CULLEN/FROST BANKERS, INC.

Form 424B2

February 14, 2013

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Filed pursuant to Rule 424(b)(2)
SEC File No. 333-186335

CALCULATION OF REGISTRATION FEE

	Maximum aggregate	Amount of
Title of Each Class of Securities Offered	offering price	registration
5.375% Non-Cumulative Perpetual Preferred Stock, Series A	\$150,000,000	Fee ⁽¹⁾ \$20,460

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

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PROSPECTUS SUPPLEMENT

(To Prospectus dated January 31, 2013)

Cullen/Frost Bankers, Inc.

6,000,000 Shares

5.375% Non-Cumulative Perpetual Preferred Stock, Series A

We are offering 6,000,000 shares of our 5.375% non-cumulative perpetual preferred stock, Series A, par value \$0.01, with a liquidation preference of \$25 per share (the Preferred Stock).

We will pay dividends on the Preferred Stock, when, as, and if declared by our board of directors or a duly authorized committee of the board and to the extent that we have lawfully available funds to pay dividends. If declared, dividends will accrue and be payable on the liquidation preference amount, on a non-cumulative basis, at a rate of 5.375% per annum, quarterly, in arrears, on March 15, June 15, September 15, and December 15 of each year, beginning on June 15, 2013, from and including the date of original issuance. The first dividend payment, if declared, will be made on June 15, 2013, in the expected amount of \$0.45 per share of the Preferred Stock, which reflects the time period from the expected date of original issuance to but excluding June 15, 2013.

Dividends on the Preferred Stock will not be cumulative. If for any reason our board of directors or a duly authorized committee of the board does not declare a dividend on the Preferred Stock for any dividend period, such dividend will not accrue or be payable, and we will have no obligation to pay dividends for such dividend period, whether or not dividends on the Preferred Stock are declared for any future dividend period. Dividends on the Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause us to fail to comply with applicable laws and regulations, including applicable capital adequacy guidelines.

We may redeem the Preferred Stock (i) in whole or in part, from time to time, on any dividend payment date on or after March 15, 2018, or (ii) in whole but not in part, at any time within 90 days following a regulatory capital treatment event (as defined herein), in either case, at a redemption price of \$25 per share, plus any declared and unpaid dividends for prior dividend periods and accrued but unpaid dividends (whether or not declared) for the then-current dividend period prior to but excluding the redemption date. Under current regulatory rules and regulations, we would need regulatory approval to redeem the Preferred Stock.

We have applied to list the Preferred Stock on the New York Stock Exchange (the NYSE) under the symbol CFR PrA. If the application is approved, trading of the Preferred Stock on the NYSE is expected to commence within 30 days after the original issuance date of the Preferred Stock. Our common stock is listed on the NYSE under the symbol CFR.

The shares of Preferred Stock will not be savings accounts, deposits or other obligations of any of our bank or non-bank subsidiaries, will not be insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other governmental agency or instrumentality and are subject to investment risks.

Investing in the Preferred Stock involves risks. See Risk Factors beginning on page 21 of our Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated herein by reference, as well as the additional risk factors included in this prospectus supplement beginning on page S-11, to read about factors you should consider before buying the Preferred Stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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	<i>Per Share</i>	<i>Total</i>
<i>Public offering price(1)</i>	\$25.0000	\$150,000,000.00
<i>Underwriting discount and commissions(2)</i>	\$0.7697	\$4,618,222.50
<i>Proceeds, before offering expenses, to us</i>	\$24.2303	\$145,381,777.50

- (1) Plus accrued dividends, if any, from the date of original issuance, which we expect to be February 15, 2013.
- (2) Reflects 371,400 shares of Preferred Stock to be sold to institutional investors, for which the underwriters will receive an underwriting discount of \$0.5000 per share and 5,628,600 shares of Preferred Stock to be sold to retail investors for which the underwriters will receive an underwriting discount of \$0.7875 per share.

The underwriters expect to deliver the Preferred Stock in book-entry form only through the facilities of The Depository Trust Company (the "DTC") for the accounts of its participants, including Clearstream Banking, a société anonyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear system, against payment in New York, New York on or about February 15, 2013.

Joint Book-Running Managers

Morgan Stanley

Goldman, Sachs & Co.

UBS Investment Bank

Prospectus Supplement dated February 12, 2013.

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No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus supplement or the accompanying prospectus. You must not rely on any unauthorized information or representations. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since such dates. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any shares of our Preferred Stock and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the heading *Where You Can Find More Information*. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus supplement to *Cullen/Frost*, *we*, *us*, *our* or similar references mean Cullen/Frost Bankers, Inc., and all references in this prospectus supplement to the *Corporation* mean Cullen/Frost Bankers, Inc., together with its subsidiaries.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the *SEC*). You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, like Cullen/Frost, that file electronically with the SEC. The address of that site is <http://www.sec.gov>. Cullen/Frost's Internet address is <http://www.frostbank.com>. The information on or that can be accessible through these web sites is not a part of this document.

In this prospectus supplement, as permitted by law, we incorporate by reference information from other documents that we file with the SEC. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in this prospectus supplement is considered to be automatically updated and superseded. In other words, in case of a conflict or inconsistency between information contained in this prospectus supplement and information incorporated by reference into this prospectus supplement, you should rely on the information contained in the document that was filed later.

We incorporate by reference the documents listed below and any documents we file with the SEC in the future under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the *Exchange Act*), between the date of this document and the date of the termination of the offer being made pursuant to this prospectus supplement (other than information that, under the Exchange Act and SEC rules, is deemed to be furnished and not filed with the SEC):

Annual Report on Form 10-K for the year ended December 31, 2012; and

Current Reports on Form 8-K, filed on January 31, 2013 and February 12, 2013.

Unless stated otherwise in the applicable report, information that is furnished rather than filed with the SEC is not incorporated herein by reference.

You may request a copy of any of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Cullen/Frost Bankers, Inc.

100 W. Houston Street

San Antonio, Texas 78205

(210) 220-4011

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Other than any documents expressly incorporated by reference, the information on our website and any other website that is referred to in this prospectus supplement is not part of this prospectus supplement.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this prospectus supplement that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the *Act*), notwithstanding that such statements are not specifically identified as such. In addition, certain statements may be contained in the Corporation's future filings with the SEC, in press releases, and in oral and written statements made by or with the approval of the Corporation that are not statements of historical fact and constitute forward-looking statements within the meaning of the Act. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statements of plans, objectives and expectations of Cullen/Frost or its management or board of directors, including those relating to products or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as *believes*, *anticipates*, *expects*, *intends*, *targeted*, *continue*, *remain*, *will*, *should*, *may* and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to:

Local, regional, national and international economic conditions and the impact they may have on the Corporation and its customers and the Corporation's assessment of that impact.

Volatility and disruption in national and international financial markets.

Government intervention in the U.S. financial system.

Changes in the mix of loan geographies, sectors and types or the level of non-performing assets and charge-offs.

Changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements.

The effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Board of Governors of the Federal Reserve System.

Inflation, interest rate, securities market and monetary fluctuations.

The effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which the Corporation and its subsidiaries must comply.

The soundness of other financial institutions.

Political instability.

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Impairment of the Corporation's goodwill or other intangible assets.

Acts of God or of war or terrorism.

The timely development and acceptance of new products and services and perceived overall value of these products and services by users.

Changes in consumer spending, borrowings and savings habits.

Changes in the financial performance and/or condition of the Corporation's borrowers.

Technological changes.

Acquisitions and integration of acquired businesses.

The Corporation's ability to increase market share and control expenses.

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The Corporation's ability to attract and retain qualified employees.

Changes in the competitive environment in the Corporation's markets and among banking organizations and other financial service providers.

The effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters.

Changes in the reliability of the Corporation's vendors, internal control systems or information systems.

Changes in the Corporation's liquidity position.

Changes in the Corporation's organization, compensation and benefit plans.

The costs and effects of legal and regulatory developments including the resolution of legal proceedings or regulatory or other governmental inquiries and the results of regulatory examinations or reviews.

Greater than expected costs or difficulties related to the integration of new products and lines of business.

The Corporation's success at managing the risks involved in the foregoing items.

Forward-looking statements speak only as of the date on which such statements are made. The Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

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SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and does not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before deciding whether to invest in the Preferred Stock.

CULLEN/FROST BANKERS, INC.

Cullen/Frost Bankers, Inc., a Texas business corporation incorporated in 1977, is a financial holding company and a bank holding company headquartered in San Antonio, Texas that provides, through its subsidiaries, a broad array of products and services throughout numerous Texas markets. Cullen/Frost, through its subsidiaries, offers commercial and consumer banking services, as well as trust and investment management, mutual funds, investment banking, insurance, brokerage, leasing, asset-based lending, treasury management and item processing services. At December 31, 2012, Cullen/Frost had consolidated total assets of \$23.1 billion and was one of the largest independent bank holding companies headquartered in the State of Texas.

The Corporation serves a wide variety of industries including, among others, energy, manufacturing, services, construction, retail, telecommunications, healthcare, military and transportation. The Corporation's customer base is similarly diverse. The Corporation is not dependent upon any single industry or customer.

Our principal executive offices are located at 100 W. Houston Street, San Antonio, Texas 78205, and our telephone number is (210) 220-4011.

FROST BANK

Frost Bank, the principal operating subsidiary and sole banking subsidiary of Cullen/Frost, is primarily engaged in the business of commercial and consumer banking through more than 110 financial centers across Texas in the Austin, Corpus Christi, Dallas, Fort Worth, Houston, Rio Grande Valley and San Antonio regions. Frost Bank was chartered as a national banking association in 1899, but its origin can be traced to a mercantile partnership organized in 1868. At December 31, 2012, Frost Bank had consolidated total assets of \$23.1 billion and total deposits of \$19.5 billion and was one of the largest commercial banks headquartered in the State of Texas.

On June 22, 2012, Frost Bank became a Texas state chartered bank and a member of the Federal Reserve System. Accordingly, the Texas Department of Banking and the Board of Governors of the Federal Reserve System (including any successor bank regulatory authority that may become our appropriate federal banking agency, the *Federal Reserve*) are now the primary regulators of Frost Bank, and Frost Bank is no longer regulated by the Office of the Comptroller of the Currency (*OCC*). Deposits at Frost Bank continue to be insured by the FDIC up to applicable limits.

Significant services offered by Frost Bank include:

Commercial Banking. Frost Bank provides commercial banking services to corporations and other business clients. Loans are made for a wide variety of general corporate purposes, including financing for industrial and commercial properties and to a lesser extent, financing for interim construction related to industrial and commercial properties, financing for equipment, inventories and accounts receivable, and acquisition financing, as well as commercial leasing and treasury management services.

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Consumer Services. Frost Bank provides a full range of consumer banking services, including checking accounts, savings programs, automated teller machines, overdraft facilities, installment and real estate loans, home equity loans and lines of credit, drive-in and night deposit services, safe deposit facilities, and brokerage services.

International Banking. Frost Bank provides international banking services to customers residing in or dealing with businesses located in Mexico. These services consist of accepting deposits (generally only in U.S. dollars), making loans (in U.S. dollars only), issuing letters of credit, handling foreign collections, transmitting funds, and to a limited extent, dealing in foreign exchange.

Correspondent Banking. Frost Bank acts as correspondent for approximately 332 financial institutions as of December 31, 2012, which are primarily banks in Texas. These banks maintain deposits with Frost Bank, which offers them a full range of services including check clearing, transfer of funds, fixed income security services, and securities custody and clearance services.

Trust Services. Frost Bank provides a wide range of trust, investment, agency and custodial services for individual and corporate clients. These services include the administration of estates and personal trusts, as well as the management of investment accounts for individuals, employee benefit plans and charitable foundations. At December 31, 2012, the estimated fair value of these trust assets was \$26.2 billion, including managed assets of \$10.9 billion and custody assets of \$15.3 billion.

Capital Markets Fixed-Income Services. Frost Bank's Capital Markets Division was formed to meet the transaction needs of fixed-income institutional investors. Services include sales and trading, new issue underwriting, money market trading, and securities safekeeping and clearance.

RISK FACTORS

An investment in our preferred stock involves certain risks. You should carefully consider the risks described under "Risk Factors" beginning on page S-11 of this prospectus supplement and in the "Risk Factors" section included in our Annual Report on Form 10-K for the year ended December 31, 2012, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our financial statements and the notes thereto, before making an investment decision.

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SUMMARY OF THE OFFERING

The following summary contains basic information about the Preferred Stock offered hereby and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the Preferred Stock, you should read the section of this prospectus supplement entitled "Description of the Preferred Stock" beginning on page S-19.

Securities offered

6,000,000 shares of our 5.375% Non-Cumulative Perpetual Preferred Stock, Series A, par value \$0.01, with a liquidation preference of \$25 per share.

Further issuances

We reserve the right to re-open this series of Preferred Stock and issue additional shares of the Preferred Stock either through public or private sales at any time and from time to time without notice to or consent of holders of the Preferred Stock; provided that any such additional shares of Preferred Stock are not treated as "disqualified preferred stock" within the meaning of Section 1059(f)(2) of the Internal Revenue Code and such additional shares of Preferred Stock are otherwise treated as fungible with the Preferred Stock offered hereby for U.S. federal income tax purposes. The additional shares would form a single series with the Preferred Stock offered by this prospectus supplement.

Dividends

Dividends on the Preferred Stock will be payable quarterly in arrears on the dividend payment dates specified below, when, as and if declared by our board of directors or a duly authorized committee of the board and to the extent that we have lawfully available funds to pay dividends, from and including the date of original issuance, at a rate of 5.375% per annum.

Dividends on the Preferred Stock will not be cumulative. If for any reason our board of directors or a duly authorized committee of the board does not declare a dividend on the Preferred Stock for any dividend period, such dividend will not accumulate or be payable and will cease to accrue, and we will have no obligation to pay dividends for such dividend period, whether or not dividends on the Preferred Stock are declared for any future dividend period. A "dividend period" is the period from, and including, a dividend payment date to, but excluding, the next dividend payment date, except that the initial dividend period will begin on and include the original issuance date of the Preferred Stock.

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Dividend payment dates

Dividends on the Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause us to fail to comply with applicable laws and regulations, including applicable capital adequacy guidelines.

Dividends on the Preferred Stock will be payable on March 15, June 15, September 15, and December 15 of each year, beginning on June 15, 2013 (each, a *dividend payment date*) when, as and if declared by our board of directors or a duly authorized committee of the board.

No maturity

In the event any dividend payment date is not a business day (as defined below under *Description of the Preferred Stock Dividends*), the appropriate dividend will be paid on the first business day following that day without adjustment.

The Preferred Stock will be perpetual and will have no maturity date.

Redemption

We may redeem the Preferred Stock (i) in whole or in part, from time to time, on any dividend payment date on or after March 15, 2018 or (ii) in whole but not in part, at any time within 90 days following a regulatory capital treatment event (as defined herein), in either case, at a redemption price equal to \$25 per share, plus any declared and unpaid dividends for prior dividend periods and accrued but unpaid dividends (whether or not declared) for the then-current dividend period prior to but excluding the redemption date.

Any redemption of the Preferred Stock is subject to our receipt of any required prior approval by the Federal Reserve and to the satisfaction of any conditions set forth in the capital guidelines or regulations of the Federal Reserve applicable to redemption of the Preferred Stock.

Liquidation rights

The holders of the Preferred Stock will not have the right to require redemption.

In the event we liquidate, dissolve or wind-up our business and affairs, either voluntarily or involuntarily, holders of the Preferred Stock will be entitled to receive liquidating distributions of \$25 per share, plus any declared and unpaid dividends, before we make any distribution of assets to the holders of our common stock or any other class or series of shares ranking junior to the Preferred Stock with respect to the distribution of assets. If we fail to pay in full all amounts payable, including declared but

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unpaid dividends, with respect to the Preferred Stock and any stock having the same rank as the Preferred Stock with respect to the distribution of assets, the holders of the Preferred Stock and that other stock will share in any distribution of assets in proportion to the respective aggregate liquidation preferences to which they are entitled including an amount equal to any declared but unpaid dividends (and, in the case of any holder of stock on which dividends accrue on a cumulative basis, an amount equal to any unpaid, accrued, cumulative dividends, whether or not declared, as applicable). After the holders of the Preferred Stock and any stock having the same rank as the Preferred Stock are paid in full, they will have no right or claim to any of our remaining assets.

Neither the sale, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or any part of our property or business nor a merger or consolidation by us with or into any other entity will be considered a dissolution, liquidation or winding-up of our business or affairs.

Voting rights

Holders of Preferred Stock will not have voting rights, except with respect to authorizing or increasing the authorized amount of senior stock, certain changes in the terms of the Preferred Stock, certain dividend non-payments and as otherwise required by applicable law.

Ranking

The Preferred Stock will rank, as to the payment of dividends and distribution of assets upon our liquidation, dissolution or winding-up:

senior to our common stock and any other class or series we may issue in the future ranking junior to the Preferred Stock as to payment of dividends and/or distribution of assets upon our liquidation, dissolution or winding-up;

equally with any series of preferred stock we may issue in the future ranking equal to the Preferred Stock as to payment of dividends and/or distribution of assets upon our liquidation, dissolution or winding-up; and

junior to any series of preferred stock we may issue in the future ranking senior to the Preferred Stock as to payment of dividends and/or distribution of assets upon our liquidation, dissolution or winding-up, and to all of our existing and future debt obligations.

Preemptive and conversion rights

Holders of the Preferred Stock will not have any preemptive or conversion rights.

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Listing

We have applied to list the Preferred Stock on the NYSE under the symbol `CFR PrA`. If the application is approved, trading of the Preferred Stock on the NYSE is expected to commence within 30 days after the original issuance date of the Preferred Stock.

Tax consequences

The material U.S. federal income tax consequences of purchasing, owning and disposing of the Preferred Stock are described in `Material U.S. Federal Income Tax Considerations`. You should consult your tax advisor with respect to the U.S. federal income tax consequences of owning our Preferred Stock in light of your own particular situation and with respect to any tax consequences arising under the laws of any state, local, foreign or other taxing jurisdiction.

Use of proceeds

We expect to receive net proceeds from this offering of approximately \$144.5 million after deducting underwriting discount and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering to repurchase \$144.0 million of shares of our common stock pursuant to an accelerated share repurchase agreement we have entered into on the date of this prospectus supplement with Goldman, Sachs & Co. Under the terms of the agreement, we will pay \$144.0 million to Goldman, Sachs & Co. on February 15, 2013 and in exchange will receive shares of our common stock, with the substantial majority of shares expected to be delivered on February 15, 2013 and any additional shares expected to be delivered upon completion of the program. The total number of shares that we will receive and the consideration paid ultimately will be determined based on the volume-weighted daily average price of our common stock during the repurchase program.

Conflicts of Interest

Goldman, Sachs & Co., one of the joint book-running managers of this offering, will receive 5% or more of the net proceeds of this offering by reason of our use of the proceeds of this offering as described under `Use of Proceeds` on page S-16, and is deemed to have a `conflict of interest` under Rule 5121 (`Rule 5121`) of the Financial Industry Regulatory Authority, Inc. Accordingly, this offering is being made in compliance with the requirements of Rule 5121. Goldman, Sachs & Co. will not confirm sales of the Preferred Stock to any account over which it exercises discretionary authority without the prior written approval of the customer.

Transfer agent, paying agent and registrar

Computershare Shareowner Services LLC

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The following selected consolidated condensed financial information for the Corporation:

as of December 31, 2012 and 2011 and for the years ended December 31, 2012, 2011 and 2010, is derived from our audited consolidated financial statements and related notes incorporated by reference herein; and

as of December 31, 2010, 2009 and 2008 and for the years ended December 31, 2009 and 2008, is derived from our audited consolidated financial statements and related notes, none of which are incorporated by reference herein.

Certain items in prior financial statements have been reclassified to conform to the current presentation. Mutual fund and investment management fees previously reported as a component of other charges, commissions and fees are now included with trust fees and reported as trust and investment management fees in the consolidated statements of income. In addition, interchange and debit card transaction fees (including automated teller machine fees) previously reported as components of service charges on deposit accounts; other charges, commissions and fees; or other non-interest income are now reported as interchange and debit card transaction fees in the consolidated statements of income.

In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results of operations for the unaudited periods have been made. This information should be read in conjunction with our consolidated financial statements and the related notes thereto and other detailed information in our Annual Report on Form 10-K for the year ended December 31, 2012. Dollar amounts, except per share data, and common shares outstanding are in thousands.

	Year Ended December 31,				
	2012	2011	2010	2009	2008
Consolidated Statements of Income					
Interest income:					
Loans, including fees	\$ 401,364	\$ 397,855	\$ 409,651	\$ 432,222	\$ 504,680
Securities	225,844	218,744	202,713	188,446	167,044
Interest-bearing deposits	4,300	6,357	4,901	2,161	429
Federal funds sold and resell agreements	104	61	74	207	3,498
Total interest income	631,612	623,017	617,339	623,036	675,651
Interest expense:					
Deposits	18,099	22,179	29,973	56,015	104,871
Federal funds purchased and repurchase agreements	140	312	437	1,052	12,954
Junior subordinated deferrable interest debentures					