

ZIONS BANCORPORATION /UT/

Form FWP

September 17, 2009

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2009

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September 17, 2009

Free Writing Prospectus
(To the Prospectus dated March 31, 2009)

Forward-Looking Statements

This presentation contains statements that relate to the projected performance of Zions Bancorporation and elements of or affecting such performance, including statements with respect to the beliefs, plans, objectives, goals, guidelines, expectations, anticipations and estimates of management. These statements constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act. Actual facts, determinations, results or

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A Collection of Great Banks
Bank
Headquarters
Offices
Assets
Deposits
Zions

Bank
Salt Lake City
128
\$20.8B
\$16.2B
CB&T
San Diego
93
\$10.7B
\$8.5B
Amegy
Houston
84
\$11.7B
\$9.1B
NBA
Phoenix
76
\$4.9B
\$4.0B
NSB
Las Vegas
59
\$4.3B
\$3.7B
Vectra
Denver
39
\$2.5B
\$2.0B
Commerce-WA
Seattle
1
\$0.8B
\$0.6B
Commerce-OR
Portland
1
\$0.06B
\$0.04B
2Q 2009 Average Balances

Zions
Strengths

Annual pretax, pre-provision earnings of ~\$950 mm-to-\$1billion

NIM: 4.09%, ranked #2 of regional banks/peers.

One quarter of deposits are non-interest bearing (rank: #3 of peers)

Strong allowance for credit loss: 3.2% of loans

Tier 1 Common / Risk-weighted assets: \$1.1 billion in excess of 4%.

Successfully won bids on four FDIC assisted transactions.

*Peer group includes U.S. regional banks with assets greater than \$20 billion and less than \$200 billion plus footprint competitors WFC and USB.

Zions
Challenges

Rising NPAs, to 4.7% of loans from 4.0% in prior
quarter

Total delinquent + NPA was up 4%, decelerating sharply from the prior

quarter rate

YTD net charge-off rate of 2.4%

Continued securities impairments (OTTI), primarily on
bank/insurance CDOs

-

\$42.0 million in 2Q

Our Growth Engine

#1 Ranking Among Regional & Western Banks

Source: SNL Financial

7.6%

7.5%

7.2%

6.3%

6.1%
5.6%
5.1%
5.0%
4.3%
4.1%
3.3%
2.9%
2.8%
2.7%
2.6%
2.0%
1.5%
0.8%
9.5%
0.0%
1.0%
2.0%
3.0%
4.0%
5.0%
6.0%
7.0%
8.0%
9.0%
10.0%

Footprint Population Growth Estimates from SNL Financial
(2009-2014)

Net Interest Margin
(Regional Bank Peers)
Reported NIM 2Q09
0
0.5
1
1.5

2
2.5
3
3.5
4
4.5
5
1Q09 to 2Q09 NIM Change (in bps)

-25
-20
-15
-10
-5
0
5
10
15
20
25
30

Source: SNL

Source: SNL

Note: Peer group includes U.S. regional banks with assets greater than \$20 billion and less than \$200 billion plus footprint competitors WFC and USB.

Asset Sensitivity

Fixed-rate loans:

25% of portfolio

Duration of about 1.1 years

Variable-rate loans:

75% of portfolio

Continual reduction of interest rate swaps (increasing asset sensitivity)

22% of total loans have floors that are in-the-money

Non-interest bearing deposits to earning assets is 22%
(rank #1 among peers; peer median 16%)

Peer data source: SNL

Note: Peer group includes U.S. regional banks with assets greater than \$20 billion and less than \$200 billion plus footprint competitors WFC and USB.

Loan Portfolio Composition

(6/30/2009)

48%

33%

19%

Owner Occupied

Commercial

21%
CRE Term
16%
Other Consumer
8%
Other
2%
C&
I
28%
Consumer 1-4
Family
9%
Residential
Construction
7%
Comm
Construction
11%

CRE Portfolio Change Summary
(Dollar Change from 4Q07 to 2Q09 in billions)

\$1.3
-\$1.0
-\$3.0
-\$3.5
-\$3.0

-\$2.5
-\$2.0
-\$1.5
-\$1.0
-\$0.5
\$0.0
\$0.5
\$1.0
\$1.5
\$2.0

Commercial Term
Commercial
Construction
Residential
Construction

Loan Portfolio Performance
(6/30/2009)
YTD Net Charge-offs By Bank
Vectra Bank
Colorado
2%
Zions First National

Bank
28%
Amegy Bank Of
Texas
8%
California Bank &
Trust
11%
National Bank of
Arizona
20%
Nevada State Bank
31%
Total Loans by Bank
California Bank
& Trust, 21%
National Bank
of Arizona, 9%
Nevada State
Bank, 8%
Vectra Bank
Colorado, 5%
Zions First
National Bank,
35%
Commerce
Bank of
Oregon, 0.1%
Commerce
Bank of
Washington,
1.4%
Amegy Bank Of
Texas, 21%

Loan Portfolio Performance
(6/30/2009)
YTD Net Charge-offs By Loan Category
Commercial
29.6%
Commercial Real
Estate

55.4%
Consumer
14.5%
Other
0.4%

NPAs
as a % of Total Assets
(Large Bank Peers)
Zions, 3.64%
Peer (weighted average),
2.00%
0.00%

0.50%

1.00%

1.50%

2.00%

2.50%

3.00%

3.50%

4.00%

Zions

Peer (weighted average)

Zions NPA/Asset ratio excludes FDIC-supported assets

Note: Peer group defined as U.S. bank holding companies with assets > \$10 billion.

Peer data source: SNL

Note: Zions

ratio excludes FDIC-supported assets

Note: Peer group defined as U.S. bank holding companies with assets > \$10 billion.

Peer data source: SNL

Note: Zions

ratio excludes FDIC-supported assets

Delinquency Trends

(Large Bank Peers)

(90+ days Delinquent Still Accruing) / (Total Loans)

ZION, 0.47%

Peer (Weighted

Avg), 1.90%

0.00%

0.20%

0.40%

0.60%

0.80%

1.00%

1.20%

1.40%

1.60%

1.80%

2.00%

ZION

Peer (Weighted Avg)

NPAs
& Delinquency Trends
(Large Bank Peers)

Note: Peer group defined as U.S. bank holding companies with assets > \$10 billion.

Peer data source: SNL

Note: Zions

ratio excludes FDIC-supported assets

(NPAs
+ Greater Than 90 days Deliquent) / (Loans + OREO)

Zions, 5.12%

Peer (Weighted Avg),

6.25%

0.00%

0.40%

0.80%

1.20%

1.60%

2.00%

2.40%

2.80%

3.20%

3.60%

4.00%

4.40%

4.80%

5.20%

5.60%

6.00%

6.40%

6.80%

Zions

Peer

(Weighted

Avg)

Net Charge-offs as % of Loans*

(Large Bank Peers)

Zions, 3.30%

Peer (weighted
average), 3.26%

Zions w/o Flying J, 2.86%

0.00%

0.50%

1.00%

1.50%

2.00%

2.50%

3.00%

3.50%

Zions

Peer (weighted average)

Zions w/o Flying J

*Annualized

Note: Peer group defined as U.S. bank holding companies with assets > \$10 billion.

Peer data source: SNL; 2Q09 peer data estimated from SNL & financial releases

Credit Performance Summary
Compared to Large Banks, Zions has

Relatively

Larger, secured commercial portfolio

Smaller, high performing consumer
portfolio

Results in

Higher Non Performing Assets, but

Lower net charge-offs

Note: Peer group includes U.S. regional banks with assets greater than \$20 billion and less than \$200 billion plus footprint competitors WFC and USB.

Source: SNL

Reserves & Net Charge Offs

(Regional Bank Peers)

Reserves/ TTM NCOs

0.0

2.0

4.0

6.0

8.0

10.0

12.0

14.0

Zions

Peer Median Reserves/NCOs

Peer - Top Quartile

Peer - Bottom Quartile

Bank & Ins. Trup
CDOs 3% of Assets
Loans, 76%
Bank & Ins. Trup
CDOs, 3%
All Other Investment
Securities, 6%

Investment
Securities, 9%
Other Assets, 16%

Capital Ratios

11.58%

7.45%

5.51%

2Q08

12.87%

13.39%

Total Risk Based

9.66%

9.43%

Tier 1 Risk Based

5.66%

5.26%

Tangible Common Equity

2Q09

1Q09

Zions
Bancorporation
has
filed
a
registration
statement

(Registration
Statement
No.
333-158319,
including
a
prospectus)
with
the
SEC
for
the
offering
to
which
this
communication
relates.
Before
you
invest,
you
should
read
the
prospectus
dated
March
31,
2009
contained
in
that
registration
statement,
the
prospectus
supplement
dated
September
17,
2009
and
the
preliminary
prospectus
supplement
dated
September
17,

2009
and
other
documents
Zions
Bancorporation
has
filed
with
the
SEC for
more
complete
information
about
Zions
Bancorporation
and
this
offering.
You
may
get
these
documents
and
other
documents
Zions
Bancorporation
has
filed
for
free
by
visiting
EDGAR
on
the
SEC
Web
site
at
www.sec.gov.
Alternatively,
Zions
Bancorporation
or
a
representative will

arrange
to
send
you
the
prospectus
and
other
documents
Zions
Bancorporation
has
filed
with
the
SEC
if
you
request
it
by
calling
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524-8875.