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STERLING BANCSHARES INC
Form 425
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Filed by Comerica Incorporated

Pursuant to Rule 425 under the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12

of the Securities Exchange Act of 1934

Subject Company: Sterling Bancshares, Inc.

(Commission File No. 1-34768)

The following document is filed herewith pursuant to Rule 425 under the Securities Act of 1933:

Slides presented to officers of Sterling Bancshares, Inc. on February 21, 2011

Any statements in this filing that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as anticipates, believes, feels, expects, estimates, seeks, strives, plans, intends, outlook, forecast, mission, assume, achievable, potential, strategy, goal, aspiration, outcome, continue, remain, maintain, trend, objective, words and similar expressions, or future or conditional verbs such as will, would, should, could, might, can, may or similar expressions relate to Comerica, Sterling, the proposed transaction or the combined company following the transaction often identify forward-looking statements. These forward-looking statements are predicated on the beliefs and assumptions of management based on information known to 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 the expected benefits and costs of the transaction; forecasts of revenue, earnings or other measures of economic performance, including statements of profitability, business segments and subsidiaries; management plans relating to the transaction; the expected timing of the completion of the transaction; the ability to complete the transaction; the ability to obtain any required regulatory, shareholder or other approvals; any statements of the plans and objectives of management for future or past operations, products or services, including the execution of integration plans; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Such statements reflect the view of management as of this date with respect to future events and are subject to risks and uncertainties. Should one or more of these risks materialize or should underlying beliefs or assumptions prove incorrect, actual results could differ materially from those anticipated by the forward-looking statements or historical results. Factors that could cause or contribute to such differences include, but are not limited to, the possibility that expected benefits may not materialize in the timeframe expected or at all, or may be more costly to achieve; that the transaction may not be timely completed, if at all; that prior to the completion of the transaction or thereafter, Comerica's and Sterling's respective businesses may not perform as expected due to transaction-related uncertainty or other factors; that the parties are unable to successfully implement integration strategies; that required regulatory, shareholder or other approvals are not obtained or other closing conditions are not satisfied in a timely manner or at all; reputational risks and the reaction of the companies' customers to the transaction; diversion of management time on merger-related issues; and those factors referenced in Comerica's and Sterling's filings with the Securities and Exchange Commission (the "SEC"). Forward-looking statements speak only as of the date they are made. Comerica and Sterling do 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 and Sterling claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

In connection with the proposed merger transaction, Comerica has filed with the SEC a Registration Statement on Form S-4 that includes a preliminary Proxy Statement of Sterling, and a preliminary Prospectus of Comerica, as well as other relevant documents concerning the proposed transaction. **SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PRELIMINARY PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER, THE DEFINITIVE PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.**

A free copy of the preliminary Proxy Statement/Prospectus, and, when it becomes available, a free copy of the definitive Proxy Statement/Prospectus, as well as other filings containing information about Comerica and Sterling, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from Comerica at www.comerica.com under the tab Investor Relations and then under the heading SEC Filings or from Sterling by accessing Sterling's website at www.banksterling.com under the tab Investor Relations and then under the heading SEC Filings.

Comerica and Sterling and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Sterling in connection with the proposed merger. Information about the directors and executive officers of Comerica is set forth in the proxy statement for Comerica's 2010 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 19, 2010 and on a Form 8-K filed with the SEC on January 27, 2011. Information about the directors and executive officers of Sterling is set forth in the proxy statement for Sterling's 2010 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 5, 2010 and on Forms 8-K filed with the SEC on June 25, 2010, July 12, 2010 and January 21, 2011. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the above-referenced preliminary Proxy Statement/Prospectus and the definitive Proxy Statement/Prospectus regarding the proposed merger when it becomes available. Free copies of these documents may be obtained as described in the preceding paragraph.

Sterling Bank All Officer Meeting
February 21, 2011
Comerica Incorporated
Pat Faubion
President
Texas Market

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Safe Harbor Statement; Disclaimer

Any statements in this presentation that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Words such as "anticipates," "believes," "feels," "expects," "estimates," "seeks," "strives," "plans," "intends," "outlook," "forecast," "position," "target," "mission," "assume," "achievable," "potential," "strategy," "goal," "aspirations," "outcome," "continue," "remain," "maintain," "trend," "objective" and variations of such words and similar expressions, or future conditional verbs such as "will," "would," "should," "could," "might," "can," "may" or similar expressions, as they relate to Co

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the
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Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

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Comerica: A Brief Overview

Among the top 25 U.S. bank holding companies

Largest U.S. bank with corporate headquarters in Texas

\$54 billion in assets

Founded over 160 years ago

Major lines of business include:

Major markets include:
Continued investments in growth markets
Strong capital position
At December 31, 2010

Business Bank

Wealth and Institutional Management

Retail Bank

Texas

Florida

California

Arizona

Michigan

4
WIM
\$410MM 15%
Retail Bank
\$705MM 25%
Business
Bank

\$1,673MM

60%

Our Core Businesses

2010 Full Year Revenue

By

Business

Segment

1

As of December 31, 2010: YTD revenues of \$2.4 billion from continuing operations (FTE) including Finance & Other Business

Business Bank

Wide spectrum of credit and non-credit financial products, cash

management and international

trade services

Retail Bank

Personalized financial products &

services to consumers and small

businesses

Wealth & Institutional

Management (WIM)

Serves the needs of affluent

clients, foundations,

organizations and corporations

1

5
Florida
\$57MM 2%
Int'l
\$108MM 4%
Other Markets
\$227MM 8%

Texas
\$409MM 15%
Western
\$774MM 28%
Midwest
\$1,213MM
43%

Where We Operate

1
Source: The 2009 U.S. Census Bureau

2
As of December 31, 2010: YTD revenues of \$2.4 billion from continuing operations (FTE) including Finance & Other Businesses based on office of origination; Midwest includes: MI, OH, IL; Western includes: CA, AZ, NV, CO, WA; Other Markets include separately identified above in addition to businesses with a national perspective

Exporting our 162 year relationship banking expertise to high growth markets
Operate in seven of the eleven largest U.S. cities
California, Arizona, Texas and Florida expected to account for over one-half of U.S. population growth between 2000 and 2030
Geographic footprint diversifies earnings mix
2010 Full Year Revenue
By Market Segment
2
1
1

6
Established: 1988
Largest U.S. bank with corporate
headquarters in TX
Average deposits
5
up 44% from FY06

National Specialty groups include:

Heavy Equipment

Energy

Acquisition of Sterling Bank
announced January 18, 2011

Diverse economy

Ranked

#2

in

the

US

by

State

GDP

1

Job growth rate for 2010 is 2.3%,
exceeding

the

national

average

of

0.9%

2

Home

prices

relatively

stable

Comerica Texas Economic Activity

Index

4

is 8% above the cycle low

1

Source: 2010 Bureau of Economic Analysis

2

Source: Bureau of Labor Statistics as of 12/31/10

3

FHFA Purchase Only Home Price Index

4

As of October 2010

5

Full-Year 2010 YTD average

Texas Market:

Prepared for Growth

TX Banking Centers and Period Avg Deposits (\$Bn)

61

68

95

79

87
90
20
30
40
50
60
70
80
90
2005
2006
2007
2008
2009
2010
\$2
\$3
\$4
\$5
\$6
TX Banking Centers
Deposits
3

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Comerica Key Differentiators

Focused on growing and maintaining long-term relationships

Relationship Managers known for ingenuity, flexibility & responsiveness

Emphasis on having a clear understanding of our customers & their banking needs

Wide array of products and services

Community bank feel

Weathered credit cycle well relative to peers

Consistent credit standards

Granular portfolio

Main Street Bank

Well Positioned for Growth

Relationships are Priority One

Superior Credit Management

Size

Solid Capital Position

Regulatory Reform

Impact expected to be less than other
major banks

Quality of capital is strong

8
Long-term Corporate Strategy
This strategy is based on 6
interdependent pillars
applied across 5
geographic markets
on behalf of Comerica s 3

primary Business Divisions

Business

Bank

Retail Bank

Wealth

Management

9

Relationships

Client focused, concentrated on growing and maintaining long-term relationships

A platform that leverages our three Lines of Business to cross-sell services

Long-tenured bankers, known for ingenuity, flexibility and responsiveness

Community Bank service and focus (local execution)

Balance

Focused on balancing our geographic mix

Headquarters move to Dallas, Texas

51% of Banking Center Network in growth markets

Invest with a targeted presence in strong, growing markets
Long-term Corporate Strategy

Growth

Measured investments in targeted markets and Lines of Business

Emphasis on Cross-sells across the Lines of Business

Emphasis on importance of deposit base

Risk Management

Maintain a strong, quality capital position

Active credit management

Proactive changes in credit exposure prior to the downturn

Enhanced Portfolio Analytics

Long-term Corporate Strategy

10

11

Diversity

Highly recognized by several diversity ranking publications

Focus on internal human capital and external supplier diversity

Accountability

Strategic guidelines for each Line of Business

Monthly financial reporting and forecasting

Focus on employee development and succession planning

Long-term Corporate Strategy

12

Financial Highlights

\$ in millions

1

See Supplemental Financial Data slides for reconciliation of non-GAAP financial measures

Pace of Loan Decline Slowed

4Q10

3Q10
 4Q09
 Average Total Loans
 \$39,999
 \$40,102
 \$42,753
 Average Commercial Loans
 21,464
 20,967
 21,971
 Period-end Commercial Loans
 22,145
 21,432
 21,690
 Deposit Levels Strong
 Average Core Deposits
 \$39,896
 \$38,786
 \$36,742
 Average Noninterest-bearing deposits
 15,607
 14,920
 14,430
 Credit Quality Improvement Continued
 Provision for Credit Losses
 \$54
 \$116
 \$259
 Net Loan Charge-offs
 113
 132
 224
 Watch List
 5,542
 6,171
 7,730
 Solid Capital
 Tier 1 Capital Ratio
 10.13%
 9.96%
 12.46%
 Tangible common equity ratio
 10.54%
 10.39%
 7.99%
 1

13
\$ in millions
Credit Quality Positive Trends Continued
4Q10
3Q10
2Q10
1Q10

4Q09

Net credit-related charge-offs
to average total loans

\$113

1.13%

\$132

1.32%

\$146

1.44%

\$173

1.68%

\$225

2.10%

Provision for Loan Losses

\$57

\$122

\$126

\$175

\$256

Nonperforming assets

to total loans & foreclosed property

\$1,235

3.06%

\$1,311

3.24%

\$1,214

2.98%

\$1,251

3.06%

\$1,292

3.06%

Nonperforming assets inflow

\$180

\$294

\$199

\$245

\$266

Foreclosed property

\$112

\$120

\$93

\$89

\$111

Loans past due 90 days or more
and still accruing

\$62

\$104

\$115

\$83

\$101

Total Watch list loans

\$5,542

\$6,171

\$6,651

\$7,502

\$7,730

We believe we will continue to see improving credit quality reflecting positive migration trends with some variability quarter to quarter

14
108
91
62
86
36
60

40	
140	
148	
162	
87	
110	
73	
72	
\$0	
\$100	
\$200	
\$300	
2Q09	
3Q09	
4Q09	
1Q10	
2Q10	
3Q10	
4Q10	
Positive trends in credit quality resulted in significant decline in the provision for loan losses	
Allowance for credit losses of \$936MM	
Decreased \$59MM, reflecting the positive trend in all credit metrics, particularly the watch list	
Allowance for loan losses to total loans 2.24%	
Allowance for loan losses to nonperforming loans of 80%	
Recoveries of \$27MM, an increase of \$14MM	
Loan Sales of \$70MM, an increase of \$51MM	
Provision for Loan Losses	
Provision and Net Charge-offs	
\$ in millions; 4Q10 vs 3Q10	
Credit Quality Positive Trends Continued	
CRE Net Charge-Offs	
Non CRE Net Charge-Offs	
312	
311	
256	
175	
126	
122	

15
Credit Quality Ratios vs. Peers
0
2
4
6
8

2Q08
3Q08
4Q08
1Q09
2Q09
3Q09
4Q09
1Q10
2Q10
3Q10
4Q10

Peer Range
Peer Average

CMA

Peer

Source:

SNL;

All

nonperforming

asset

ratios

exclude

HBAN

as

their figures were not reported

NCO ratio defined as annualized loans and leases charged off, net of recoveries, as a % of average loans and leases

NPA ratio defined as nonperforming assets / (Gross loans +foreclosed assets)

0

2

4

6

8

2Q08

3Q08

4Q08

1Q09

2Q09

3Q09

4Q09

1Q10

2Q10

3Q10

Peer Range

Peer Average

CMA

Net Charge-off Ratio vs. Peers

Nonperforming Asset Ratio vs. Peers

Credit metrics amongst the best in our peer group

Peer Group: BBT, FITB, HBAN, KEY, MI, MTB, PNC, RF, STI, USB, ZION

16
0%
2%
4%
6%
8%
10%

12%

4Q09

1Q10

2Q10

3Q10

4Q10

Strong Capital Ratios

Tier

I

Common

Capital

Ratio

1

Peer Median

Comerica