

Cullen/Frost Bankers (CFR)

\$137.06 (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$136.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 08/01/25)
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **3-Hold**
Zacks Style Scores: VGM: D
Value: C | Growth: D | Momentum: B

Summary

Shares of Cullen/Frost have underperformed the industry in the past year. The company's ongoing expansion of its financial centers and technological investment will keep the expense base elevated in the near term. We project operating expenses to witness a three-year compounded annual growth rate (CAGR) of 5.7% by 2027. Also, the weak credit quality is a major concern. The lack of loan portfolio diversification is worrisome. However, its expansion into Texas markets by opening branches will drive its deposit and loan growth in the long term. Recent Fed rate cuts and non-interest-bearing deposits are expected to support net interest income (NII) in the coming quarters. We project NII to witness a three-year CAGR of 4.2% by 2027. Further, its decent cash balance and sustainable capital distributions plan will continue to support shareholder value.

Data Overview

52 Week High-Low	\$146.44 - \$100.31
20 Day Average Volume (sh)	409,476
Market Cap	\$8.8 B
YTD Price Change	8.2%
Beta	0.63
Dividend / Div Yld	\$4.00 / 3.0%
Industry	Banks - Southwest
Zacks Industry Rank	Top 29% (70 out of 244)

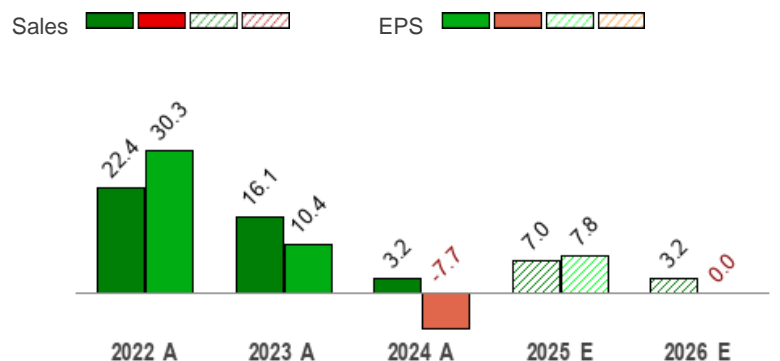
Last EPS Surprise	12.2%
Last Sales Surprise	3.5%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	01/29/2026
Earnings ESP	1.3%

P/E TTM	14.1
P/E F1	14.2
PEG F1	3.7
P/S TTM	3.0

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	583 E	585 E	594 E	610 E	2,371 E
2025	560 A	568 A	589 A	580 E	2,297 E
2024	523 A	529 A	539 A	556 A	2,147 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	2.36 E	2.38 E	2.38 E	2.57 E	9.68 E
2025	2.30 A	2.39 A	2.67 A	2.32 E	9.68 E
2024	2.15 A	2.21 A	2.24 A	2.36 A	8.98 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/08/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 01/09/2026.

Overview

Headquartered in San Antonio, TX, Cullen/Frost Bankers, Inc. is a financial holding company and a bank holding company, which, through its subsidiaries, provides a broad array of products and services throughout numerous Texas markets. In addition to general commercial and consumer banking, other products and services offered include trust and investment management, investment banking, insurance, brokerage, mutual funds, leasing, treasury management, capital markets advisory and item processing.

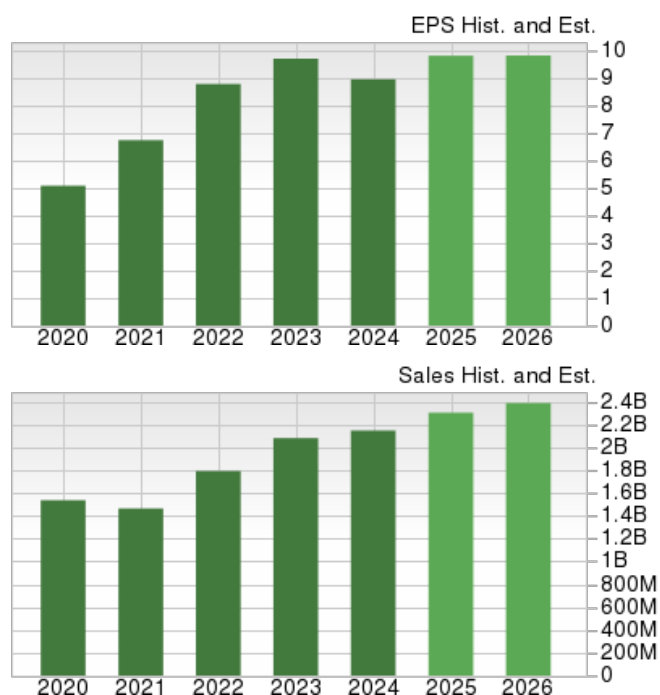
The corporation is managed by two reportable operating segments, namely Banking and Frost Wealth Advisors.

The Banking segment includes commercial and consumer banking services, and Frost Insurance Agency. Commercial banking services are provided to corporations and other business clients. Consumer banking services include direct lending and depository services. Frost Insurance Agency provides insurance brokerage services to individuals and businesses covering corporate and personal property, and casualty products as well as group health and life insurance products.

The Frost Wealth Advisors segment includes fee-based services within private trust, retirement services and financial management services, including personal wealth management and securities brokerage services.

The third operating segment, Non-Banks, is for the most part, the parent holding company, while certain other insignificant non-bank subsidiaries of the parent for the most part have little or no activity. The parent company's principal activities include the direct and indirect ownership of the corporation's banking and non-banking subsidiaries, and issuance of debt and equity. Its principal sources of revenues are dividends from its subsidiaries.

As of Sept. 30, 2025, Cullen/Frost had total assets of \$52.5 billion, loans worth \$21.4 billion, total deposits of \$42.5 billion and shareholders' equity of \$4.5 billion.



As of 01/09/2026



As of 01/08/2026

Reasons To Buy:

▲ Cullen/Frost continues to enhance its presence in the lucrative Texas markets. In 2021, the company completed a 25-branch expansion in Houston and initiated a 28-branch expansion in Dallas. The bank achieved two-thirds completion of its Dallas branch expansion by the end of 2023. Further, in June 2023, Cullen/Frost announced plans to double its financial centers in the Austin region by 2026. Owing to these expansion efforts, in the first quarter of 2025, the company generated \$2.6 billion in deposits and \$1.9 billion in loans and added more than 64,000 customers to its portfolio in the Austin region. Management anticipates completing the expansion projects in Dallas and Austin by the end of 2026. Given the pro-business and low-tax scenario along with compelling customer demographics in the region, such efforts will likely support growth going forward.

Cullen/Frost's branch expansion efforts in the Texas region will drive deposit and loan growth. NII growth will aid the company's top line. Also, its capital distributions seem sustainable.

▲ Cullen/Frost exhibits a strong balance sheet position. Its deposits witnessed a four-year compound annual growth rate (CAGR) of 5.3% (2020-2024), while loans, net of unearned discounts, recorded a CAGR of 3.7%. The rising trend continued in the first nine months of 2025 for both metrics. The company's solid loan pipeline, as well as improving lending scenarios will further support loan growth. Further, new branch openings are expected to support both loan and deposit growth in the long term.

▲ Organic growth remains a key strength at Cullen/Frost, as reflected by its impressive growth in NII. The metric witnessed a CAGR of 13.2% over the last four years (2020-2024), with a rising trend continuing in the first nine months of 2025. This was backed by high interest rates and solid loan growth. The ongoing branch expansion efforts, coupled with the three Fed rate cuts in 2025 and the expectations for one additional cut in 2026, are likely to drive NII growth in the upcoming period. We project NII to rise nearly 7.3% in 2025, 2.1% in 2026, and 5.2% in 2027.

▲ We remain encouraged by Cullen/Frost's steady capital distribution activities. In May 2025, the company announced a 5.3% hike in its quarterly dividend to \$1 per share. On Jan. 29, 2025, the board of directors authorized a \$150-million stock repurchase plan, allowing the company to repurchase shares of its common stock over one year, expiring on Jan. 28, 2026. As of Sept. 30, 2025, \$80.7 million remains available under the plan. The company's debt/equity ratio compares favorably with that of the broader industry, which, along with its earnings strength, indicates that such activities seem sustainable.

▲ Cullen/Frost's trailing 12-month return on equity (ROE) reflects its superiority in terms of utilizing shareholders' funds. The company's ROE of 15.84% compares favorably with 11.09% of the industry.

Reasons To Sell:

- ▼ Cullen/Frost's escalating expenses expose it to operational risks. Non-interest expenses witnessed a CAGR of 11.3% over the last four years (2020-2024), with the rising trend continuing in the first nine months of 2025. This was primarily due to an increase in salaries and wages, employee benefits, technology, furniture and equipment expenditure, and other expenses. Going forward, expenses are likely to remain elevated due to the ongoing expansion of its financial centers and investments in technological developments. We project expenses to rise 8.0% in 2025, 4.6% in 2026, and 5.2% in 2027.
- ▼ Deteriorating credit quality is another major headwind for Cullen/Frost. While the company recorded a decline in allowance for credit losses on loans in 2021 and 2022, it built substantial reserves over the past few years. The metric witnessed a CAGR of nearly 11% over the past four years (2020-2024), with the uptrend continuing in the first six months of 2025. Given the expectation of a higher for longer interest rate backdrop, credit quality is likely to remain under pressure in the near term. We project allowance for credit losses to rise 5.5% in 2025, 5.2% in 2026, and 8.6% in 2027.
- ▼ The majority of Cullen/Frost's loan portfolio comprises commercial loans (including commercial and industrial as well as commercial real estate loans). Its loan mix underpinned nearly 78% of commercial loans as of Sept. 30, 2025. The current rapidly changing macroeconomic backdrop may put some strain on commercial lending. Moreover, in case of any economic downturn, the asset quality of the loan category might deteriorate. Thus, the lack of loan portfolio diversification is likely to hurt the company's financials if the economic situation worsens.

Rising expenses are expected to strain Cullen/Frost's bottom-line growth. Deterioration of its credit quality and a concentrated commercial loan portfolio are other major near-term headwinds.

Last Earnings Report

Cullen/Frost Q3 Earnings Beat on Strong NII & Fee Income Growth

Cullen/Frost reported third-quarter 2025 earnings per share of \$2.67, up 19.2% from the prior-year quarter. The bottom line surpassed the Zacks Consensus Estimate by 12.2%.

Results were primarily aided by a rise in net interest income and non-interest income, alongside a higher loan and deposit balance in the quarter. Also, a lower allowance for credit losses on loans was another positive. However, an increase in non-interest expenses remains a concern.

The company reported net income available to its common shareholders of \$172.7 million, up 19.2% from the prior-year quarter.

Revenues & Expenses Increase

The company's total revenues were \$589.3 million in the third quarter, up 13.7% year over year. Also, the top line surpassed the Zacks Consensus Estimate by 3.5%.

NII on a taxable-equivalent basis increased 2.9% year over year to \$463.7 million. The net interest margin (NIM) expanded 13 basis points (bps) year over year to 3.69%.

Non-interest income improved 10.5% year over year to \$125.6 million. The rise was attributed to increases in all components, except for net gain on securities transactions.

Non-interest expenses of \$352.5 million rose 8.9% year over year.

Loans & Deposit Balance Rise

As of Sept. 30, 2025, total loans were \$21.4 billion, up 1.8% sequentially. Total deposits amounted to \$42.5 billion, which rose 1.9% from the previous quarter.

Credit Quality Improves

As of Sept. 30, 2025, the company recorded credit loss expenses of \$6.8 million compared with \$19.4 million in the prior-year quarter.

The allowance for credit losses on loans, as a percentage of total loans, was 1.31%, unchanged from the year-ago period.

Net charge-offs, annualized as a percentage of average loans, decreased 7 basis points year over year to 0.12%.

Capital Ratios & Profitability Ratios Improve

As of Sept. 30, 2025, the Tier 1 risk-based capital ratio was 14.59%, up from 14.02% at the end of the year-ago quarter.

The total risk-based capital ratio was 16.04%, up from 15.50% as of the prior-year quarter. The common equity Tier 1 risk-based capital ratio was 14.14%, up from the year-ago quarter's 13.55%.

The leverage ratio increased to 9.00% from 8.80%.

Return on average assets and return on average common equity were 1.32% and 16.72% compared with 1.16% and 15.48% in the prior-year quarter, respectively.

2025 Outlook

Management expects average loans to grow 6.5% to 7.5% from the 2024 reported figure. Average deposits are expected to be up 2.5% to 3.5%, slightly higher than prior stated guidance of 2–3%, from the 2024 reported figure.

NII is now expected to grow 7–8% from the 2024 reported figure. The anticipated figure was revised upward from prior guidance of 6–7%.

The company expects a NIM improvement of 12–15 basis points, whereas it reported a net interest margin of 3.53% for 2024.

Non-interest income is forecasted to rise 6.5–7.5%, increase from the previous guidance of 3.5–4.5%.

Non-interest expense is projected to rise 8–9%, in line with prior guidance of high single digits.

The net charge-off ratio is expected to be 15–20 bps of average loans, improved from prior guidance of 20–25 bps.

The effective tax rate is projected to be slightly lower than 16–17%.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 30, 2025
Sales Surprise	3.53%
EPS Surprise	12.18%
Quarterly EPS	2.67
Annual EPS (TTM)	9.72

Recent News

Dividend Update

On Oct. 30, 2025, Cullen/Frost declared a cash dividend of \$1 per share. The dividend was paid out on Dec. 15 to its shareholders of record as of Nov. 29, 2025.

Valuation

Cullen/Frost's shares are down 0.4% in the past six months and up 3.4% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 2.1% and those in the Zacks Finance sector are up 7.7%, over the past six months. Over the past year, the Zacks sub-industry and sector are up 11.5% and 20.5%, respectively.

The S&P 500 Index is up 13.1% in the past six months and up 21.1% in the trailing 12-month period.

The stock is currently trading at 13.91X forward 12-month earnings, which compares to 13.14X for the Zacks sub-industry, 17.49X for the Zacks sector, and 23.31X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 24.69X and as low as 9.37X, with a five-year median of 13.80X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$136 price target reflects 13.82X forward earnings.

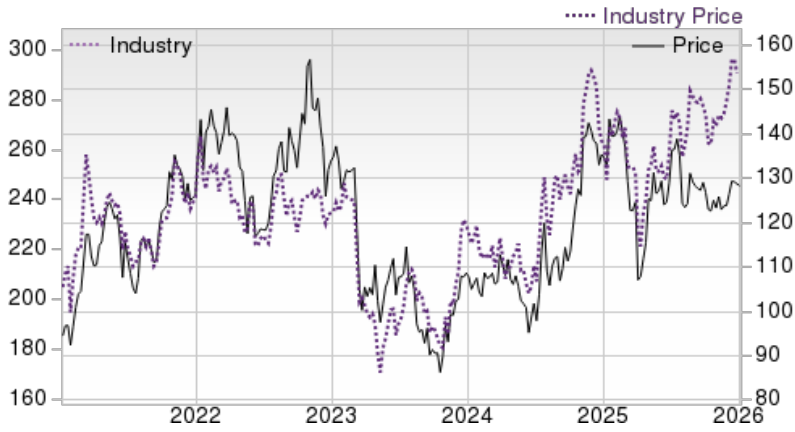
The table below shows summary valuation data for CFR.

Valuation Multiples - CFR					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	13.91	13.14	17.49	23.31
	5-Year High	24.69	16.67	18.28	23.80
	5-Year Low	9.37	9.76	12.36	15.74
	5-Year Median	13.80	13.24	16.11	21.21
P/TB TTM	Current	2.04	2.52	6.11	12.99
	5-Year High	5.09	3.95	6.12	16.54
	5-Year Low	1.57	1.98	3.46	10.49
	5-Year Median	2.20	2.63	4.75	13.58
P/S F12M	Current	3.67	4.93	9.08	5.64
	5-Year High	6.33	6.87	10.06	5.64
	5-Year Low	2.64	3.76	6.69	3.82
	5-Year Median	3.85	5.08	8.41	5.04

As of 01/08/2026

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 29% (70 out of 244)



Top Peers ⁽¹⁾

Company (Ticker)	Rec	Rank
Banc of California, ... (BANC)	Neutral	3
BancFirst Corporatio... (BANF)	Neutral	3
BOK Financial Corpor... (BOKF)	Neutral	2
First Financial Bank... (FFIN)	Neutral	3
First Horizon Corpor... (FHN)	Neutral	2
Prosperity Bancshare... (PB)	Neutral	3
Stifel Financial Cor... (SF)	Neutral	3
Texas Capital Bancsh... (TCBI)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Banks - Southwest

	CFR	X Industry	S&P 500	BANC	BOKF	TCBI
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	2	3
VGM Score	D	-	-	D	C	B
Market Cap	8.76 B	493.30 M	40.73 B	3.10 B	7.80 B	4.45 B
# of Analysts	6	2	22	3	2	7
Dividend Yield	2.92%	0.86%	1.37%	1.95%	2.04%	0.00%
Value Score	C	-	-	B	B	B
Cash/Price	0.97	0.62	0.04	0.81	0.76	0.73
EV/EBITDA	1.18	5.90	15.01	5.66	4.76	9.09
PEG Ratio	3.69	0.91	2.04	NA	NA	0.69
Price/Book (P/B)	2.03	1.27	3.44	1.04	1.29	1.33
Price/Cash Flow (P/CF)	12.27	13.29	15.54	16.03	13.40	16.10
P/E (F1)	14.11	11.61	18.81	11.86	13.75	13.68
Price/Sales (P/S)	3.02	2.28	3.07	1.71	2.32	2.24
Earnings Yield	7.21%	8.62%	5.30%	8.45%	7.27%	7.31%
Debt/Equity	0.05	0.05	0.57	0.32	0.54	0.19
Cash Flow (\$/share)	11.17	2.10	8.98	1.28	9.20	6.06
Growth Score	D	-	-	D	F	B
Hist. EPS Growth (3-5 yrs)	14.26%	2.79%	8.24%	-15.07%	1.68%	7.27%
Proj. EPS Growth (F1/F0)	7.80%	7.75%	9.21%	61.25%	1.09%	46.73%
Curr. Cash Flow Growth	-7.85%	-1.06%	7.00%	-84.64%	-9.80%	22.86%
Hist. Cash Flow Growth (3-5 yrs)	3.20%	6.42%	7.49%	21.43%	0.06%	-4.99%
Current Ratio	0.65	0.95	1.19	0.89	0.76	1.00
Debt/Capital	4.76%	4.69%	38.14%	21.52%	34.97%	14.57%
Net Margin	21.99%	18.28%	12.77%	11.49%	15.98%	15.14%
Return on Equity	15.84%	11.09%	17.03%	8.00%	9.24%	9.51%
Sales/Assets	0.06	0.06	0.53	0.05	0.07	0.06
Proj. Sales Growth (F1/F0)	7.00%	7.83%	5.30%	5.30%	3.90%	12.70%
Momentum Score	B	-	-	F	B	F
Daily Price Chg	1.82%	1.03%	0.01%	1.79%	1.03%	2.17%
1 Week Price Chg	-0.33%	-1.41%	1.11%	-1.27%	-2.64%	-2.24%
4 Week Price Chg	5.26%	0.00%	0.30%	3.23%	2.31%	0.48%
12 Week Price Chg	13.53%	10.28%	4.41%	31.56%	17.87%	26.47%
52 Week Price Chg	1.02%	6.23%	16.95%	31.73%	14.15%	27.19%
20 Day Average Volume	409,476	21,888	2,445,854	1,529,707	279,054	364,003
(F1) EPS Est 1 week change	0.32%	0.00%	0.00%	0.00%	0.00%	-0.89%
(F1) EPS Est 4 week change	0.32%	0.00%	0.00%	-0.69%	0.22%	-1.07%
(F1) EPS Est 12 week change	2.37%	2.37%	0.47%	2.13%	1.55%	3.65%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	0.00%	-2.58%

Analyst Earnings Model⁽²⁾

Cullen/Frost Bankers, Inc. (CFR)

In \$MM, except per share data

	2020A	2021A	2022A	2023A	2024A			2025E					2026E			2027E
	FY	FY	FY	FY	FY	1QA	2QA	3QA	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends December 31st	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25	Dec-25	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	Dec-26	Dec-27
Income Statement																
Net Interest Income, FTE	\$1,070.9	\$1,077.3	\$1,387.0	\$1,651.7	\$1,687.9	\$436.4	\$450.6	\$463.7	\$457.3	\$1,807.9	\$455.2	\$455.5	\$461.1	\$475.3	\$1,847.1	\$1,945.0
FTE Adjustment	\$94.9	\$92.4	\$95.7	\$93.0	\$83.3	\$20.2	\$21.0	\$22.0	\$23.2	\$86.4	\$21.3	\$22.3	\$21.4	\$24.3	\$89.3	\$96.3
Net Interest Income	\$976.0	\$984.9	\$1,291.3	\$1,558.7	\$1,604.6	\$416.2	\$429.6	\$441.6	\$434.1	\$1,721.6	\$433.9	\$433.2	\$439.7	\$450.9	\$1,757.7	\$1,848.6
Credit Loss Expense	\$241.2	\$0.1	\$3.0	\$46.2	\$65.0	\$13.1	\$13.1	\$6.8	\$16.7	\$49.7	\$11.7	\$14.5	\$19.0	\$14.5	\$59.7	\$69.1
NII after Credit Loss Expense, FTE	\$829.7	\$1,077.3	\$1,384.0	\$1,605.5	\$1,622.9	\$423.3	\$437.4	\$456.9	\$440.6	\$1,758.3	\$443.5	\$440.9	\$442.1	\$460.8	\$1,787.4	\$1,875.9
NII after Credit Loss Expense	\$734.8	\$984.8	\$1,288.3	\$1,512.5	\$1,539.6	\$403.2	\$416.5	\$434.8	\$417.4	\$1,671.9	\$422.2	\$418.7	\$420.7	\$436.5	\$1,698.0	\$1,779.5
Trust and Investment Management Fees	\$129.3	\$149.0	\$154.7	\$153.3	\$165.3	\$42.9	\$43.7	\$44.8	\$45.3	\$176.7	\$44.2	\$47.3	\$47.1	\$49.8	\$188.4	\$185.4
Service Charges on Deposit Accounts	\$80.9	\$83.3	\$91.9	\$93.5	\$106.2	\$28.6	\$29.2	\$31.4	\$27.9	\$117.1	\$29.6	\$33.1	\$33.6	\$30.4	\$126.6	\$123.6
Insurance Commissions and Fees	\$50.3	\$51.5	\$53.2	\$58.3	\$61.3	\$21.0	\$13.9	\$15.4	\$14.1	\$64.5	\$20.3	\$14.8	\$16.0	\$15.4	\$66.5	\$64.9
Interchange and Card Transaction Fees	\$13.5	\$17.5	\$18.2	\$19.4	\$21.0	\$5.4	\$5.6	\$5.5	\$6.5	\$23.1	\$6.0	\$6.1	\$6.0	\$7.2	\$25.2	\$24.9
Other Charges, Commissions and Fees	\$34.8	\$36.8	\$41.6	\$49.0	\$53.3	\$13.6	\$14.0	\$14.7	\$14.7	\$57.0	\$14.2	\$15.4	\$15.8	\$16.1	\$61.4	\$63.5
Net Gain (Loss) on Securities Transactions	\$109.0	\$0.1	\$0.0	\$0.1	(\$0.1)	(\$0.0)	\$0.0	\$0.0	\$0.0	(\$0.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other	\$47.7	\$48.5	\$45.2	\$54.9	\$52.1	\$12.5	\$11.0	\$13.7	\$14.0	\$51.1	\$13.2	\$12.6	\$14.1	\$16.2	\$56.2	\$59.9
Total Non-Interest Income	\$465.5	\$386.7	\$404.8	\$428.5	\$459.1	\$124.0	\$117.3	\$125.6	\$122.5	\$489.4	\$127.5	\$129.3	\$132.6	\$134.9	\$524.3	\$522.3
Total Revenue, FTE	\$1,536.4	\$1,464.0	\$1,791.8	\$2,080.2	\$2,147.0	\$560.4	\$567.8	\$589.3	\$579.8	\$2,297.3	\$582.7	\$584.7	\$593.7	\$610.2	\$2,371.3	\$2,467.3
Total Revenue	\$1,441.5	\$1,371.6	\$1,696.1	\$1,987.2	\$2,063.7	\$540.2	\$546.9	\$567.3	\$556.6	\$2,210.9	\$561.4	\$562.5	\$572.3	\$585.9	\$2,282.0	\$2,371.0
Salaries and Wages	\$387.3	\$395.5	\$492.1	\$547.7	\$621.4	\$160.9	\$162.1	\$169.2	\$175.8	\$667.9	\$171.3	\$167.8	\$177.7	\$179.8	\$696.7	\$730.8
Employee Benefits	\$75.7	\$82.0	\$88.6	\$115.3	\$122.4	\$42.2	\$32.8	\$34.5	\$32.0	\$141.5	\$43.6	\$36.1	\$36.8	\$34.3	\$150.7	\$161.2
Net Occupancy	\$102.9	\$107.3	\$112.5	\$124.4	\$128.8	\$33.3	\$34.6	\$34.7	\$33.6	\$136.2	\$33.9	\$35.5	\$35.4	\$34.2	\$139.0	\$144.6
Technology, Furniture and Equipment	\$105.2	\$112.7	\$120.8	\$135.3	\$148.5	\$40.1	\$40.6	\$43.5	\$43.6	\$167.7	\$42.1	\$44.5	\$46.0	\$45.7	\$178.3	\$186.9
Deposit Insurance	\$10.5	\$12.2	\$15.6	\$76.6	\$37.3	\$7.2	\$6.6	\$6.3	\$8.5	\$28.6	\$6.9	\$6.1	\$5.6	\$7.9	\$26.5	\$29.5
Other	\$166.3	\$171.5	\$194.7	\$229.4	\$244.4	\$64.5	\$70.4	\$64.4	\$65.8	\$264.9	\$69.3	\$73.7	\$67.5	\$70.3	\$280.8	\$295.7
Total Non-Interest Expense	\$848.9	\$882.0	\$1,024.3	\$1,228.7	\$1,302.8	\$348.1	\$347.1	\$352.5	\$359.2	\$1,406.9	\$367.1	\$363.8	\$368.9	\$372.3	\$1,472.0	\$1,548.6
Pre-Tax, Pre-Provision Income, FTE	\$687.5	\$582.0	\$767.5	\$851.6	\$844.2	\$212.3	\$220.7	\$236.8	\$220.5	\$890.4	\$215.6	\$221.0	\$224.8	\$237.9	\$899.3	\$918.7
Pre-Tax, Pre-Provision Income	\$592.6	\$489.6	\$671.8	\$758.5	\$761.0	\$192.2	\$199.7	\$214.8	\$197.3	\$804.0	\$194.3	\$198.7	\$203.4	\$213.6	\$810.0	\$822.4
Pre-Tax Income, FTE	\$446.3	\$582.0	\$764.5	\$805.4	\$779.2	\$199.3	\$207.6	\$230.1	\$203.9	\$840.8	\$203.9	\$206.5	\$205.8	\$223.5	\$839.6	\$849.6
Pre-Tax Income	\$351.3	\$489.5	\$668.8	\$712.4	\$696.0	\$179.1	\$186.6	\$208.0	\$180.7	\$754.4	\$182.6	\$184.2	\$184.4	\$199.1	\$750.3	\$753.2
Income Tax	\$20.2	\$46.5	\$89.7	\$114.4	\$113.4	\$28.2	\$29.6	\$33.6	\$29.3	\$120.7	\$29.6	\$29.8	\$29.9	\$32.3	\$121.5	\$122.0
Tax Rate	5.7%	9.5%	13.4%	16.1%	16.3%	15.7%	15.9%	16.2%	16.2%	16.0%	16.2%	16.2%	16.2%	16.2%	16.2%	16.2%
Net Income	\$331.2	\$443.1	\$579.2	\$598.0	\$582.5	\$150.9	\$157.0	\$174.4	\$151.4	\$633.7	\$153.0	\$154.4	\$154.5	\$166.9	\$628.7	\$631.2
Preferred Stock Dividends	\$2.0	\$7.2	\$6.7	\$6.7	\$6.7	\$1.7	\$1.7	\$1.7	\$1.7	\$6.7	\$1.7	\$1.7	\$1.7	\$1.7	\$6.7	\$6.7
Net Income Available to Common Shareholders	\$323.6	\$435.9	\$572.5	\$591.3	\$575.9	\$149.3	\$155.3	\$172.7	\$149.7	\$627.0	\$151.3	\$152.7	\$152.9	\$165.2	\$622.1	\$624.5
Earnings Allocated to Participating Securities	\$3.1	\$3.9	\$5.2	\$6.3	\$6.2	\$1.4	\$1.5	\$1.7	\$1.7	\$6.4	\$1.7	\$1.7	\$1.7	\$1.7	\$6.9	\$6.9
Net Earnings Allocated to Common Stock	\$320.5	\$432.0	\$567.3	\$585.0	\$569.6	\$147.8	\$153.8	\$171.0	\$148.0	\$620.6	\$149.6	\$150.9	\$151.1	\$163.5	\$615.1	\$617.6
Basic Shares Outstanding	62.7	63.6	64.2	64.2	64.1	64.3	64.3	64.1	63.8	64.1	63.5	63.5	63.5	63.5	63.5	63.5
Diluted Share Outstanding	63.0	64.1	64.5	64.4	64.3	64.3	64.4	64.1	63.8	64.2	63.5	63.5	63.5	63.5	63.5	63.5
Basic EPS	\$5.11	\$6.79	\$8.84	\$9.11	\$8.88	\$2.30	\$2.39	\$2.67	\$2.32	\$9.68	\$2.36	\$2.38	\$2.38	\$2.57	\$9.69	\$9.73
Diluted EPS	\$5.10	\$6.76	\$8.81	\$9.10	\$8.87	\$2.30	\$2.39	\$2.67	\$2.32	\$9.68	\$2.36	\$2.38	\$2.38	\$2.57	\$9.68	\$9.72
Diluted EPS, Adjusted	\$5.10	\$6.76	\$8.81	\$9.73	\$8.96	\$2.30	\$2.39	\$2.67	\$2.32	\$9.68	\$2.36	\$2.38	\$2.38	\$2.57	\$9.68	\$9.72
Dividend per Share	\$2.85	\$2.94	\$3.24	\$3.58	\$3.74	\$0.95	\$1.00	\$1.00	\$1.00	\$3.95	\$1.00	\$1.00	\$1.03	\$1.03	\$4.06	\$4.18

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	D
Momentum Score	B
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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