

# ZIONS BANCORPORATION

2008 YEAR IN REVIEW

**“TOUGH QUESTIONS.  
HONEST ANSWERS.”**



We're pleased to present you with this 2008 Year in Review. It is a departure from past years in which every shareholder was mailed a complete annual report, Form 10-K and Proxy Statement. This change represents an effort by Zions Bancorporation to hold down costs and minimize the environmental impact of a full-length report.

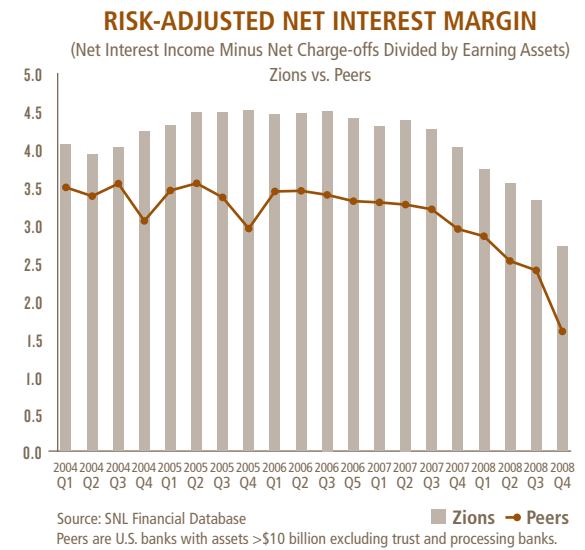
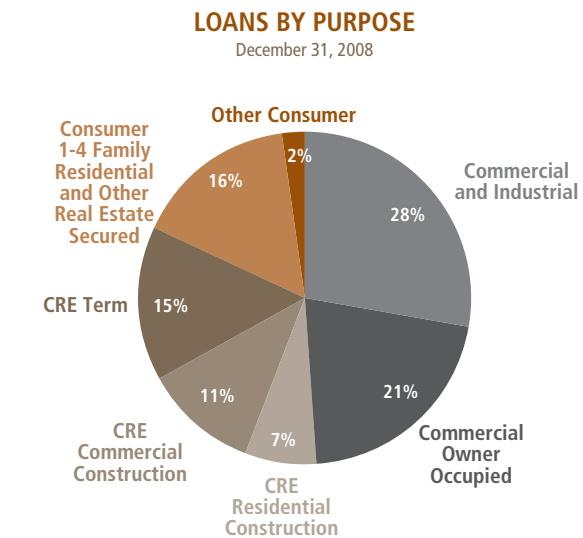
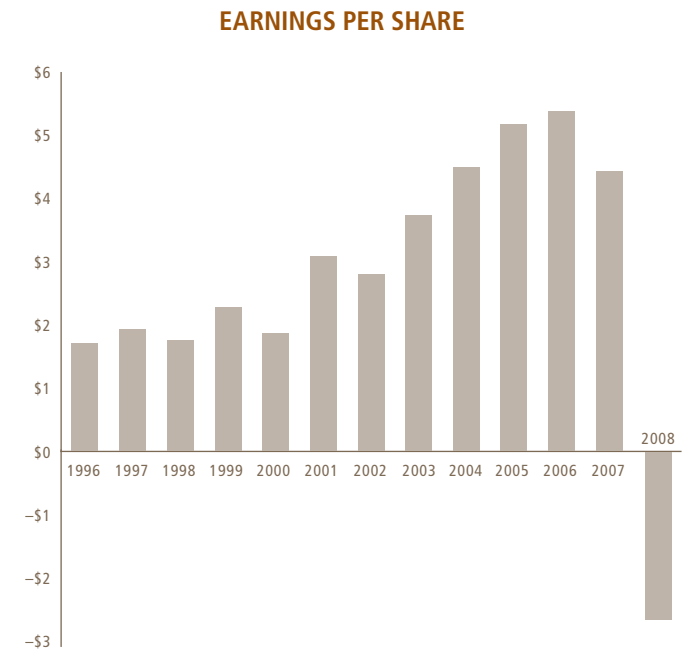
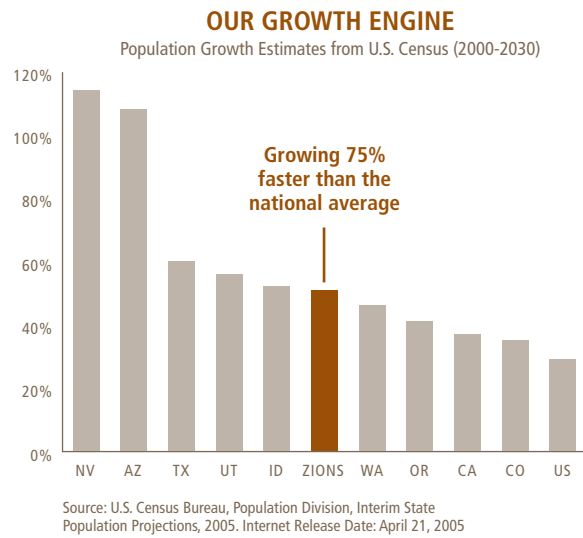
Reflecting technological developments and the growth of electronic communications, the Securities and Exchange Commission has enacted a new "Notice and Access Rule." This rule provides a way for companies to furnish Annual Meeting (proxy) materials online by posting them on the Internet and informing shareholders.

This change in communication benefits the company, shareholders and the environment in important ways. Distributing the Form 10-K and the proxy electronically via the Internet saves tens of thousands of dollars. These savings, of course, accrue to shareholders. Electronic distribution also saves paper, which in turn saves trees and reduces solid waste.

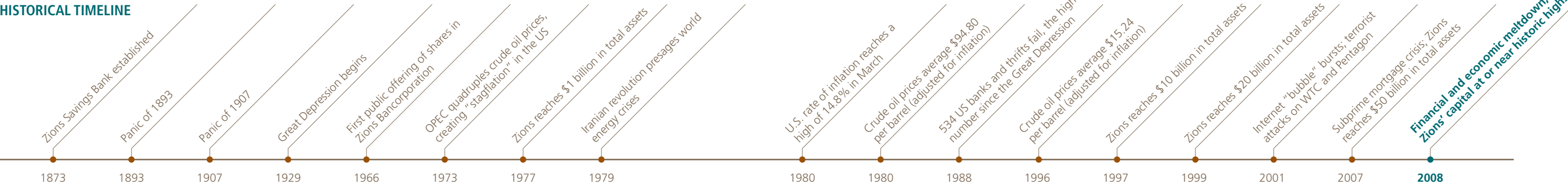
The complete 10-K and Proxy Statement are both available in Adobe PDF format on our Web site ([www.zionsbancorporation.com](http://www.zionsbancorporation.com)). You will receive a "Notice of Internet Availability of Materials" with directions on how you may request hard copies of the Form 10-K and Proxy Statement in the next few weeks.

THE BEST FOOTPRINT FOR LONG-TERM GROWTH

Zions operates in growing markets and, with its collection of great banks, has a franchise that continues to be the envy of many in the financial services industry.



HISTORICAL TIMELINE

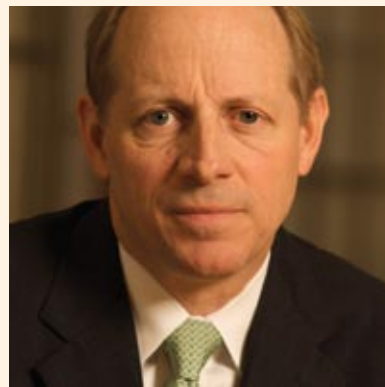


## “ TO OUR SHAREHOLDERS ”

THE YEAR 2008 WILL LONG BE REMEMBERED AS ONE OF THE MOST EVENTFUL AND STRESSFUL PERIODS IN THE HISTORY OF BANKING IN THE UNITED STATES, AND THROUGHOUT THE WORLD.

It was a year marked by a deepening worldwide recession, which many observers expect to be the most significant decline in economic activity since the 1930s and which, as we look ahead in early 2009, may be expected to continue for at least the next several quarters. It was a year that saw the demise of a large portion of the investment banking industry, as each of the nation's major brokerage firms failed, were sold at highly distressed prices, or converted to commercial banking charters. And it was a year of tremendous turmoil for commercial banks around the world, as substantial deterioration in the value of securities and collateral produced levels of write-downs and charge-offs unprecedented in recent decades. These conditions resulted in several major bank failures and distressed sales, tremendous stress on bank equity values, and an intervention in the financial sector by the U.S. government on a scale not seen since the Great Depression.

Zions Bancorporation experienced its share of challenges during 2008, reflecting conditions in the markets in which we operate. These challenges were evidenced in the price performance of the Company's common shares, which experienced a 47.5% decline in 2008. This compares to a 50.0% decline in the KBW Bank Index, an index of two dozen of the nation's largest banks, including Zions Bancorporation. These price pressures continue to persist in the early weeks of 2009 for both Zions and the industry. Despite these difficult market conditions, we ended the year with substantially stronger capital, loss reserves and liquidity than we had at the year's outset, and with some operating strengths which should continue to be very advantageous as we work through this economic storm.



## FINANCIAL OVERVIEW

Zions Bancorporation experienced a net loss applicable to common shareholders of \$290.7 million or \$2.66 per fully diluted share in 2008, compared to net earnings of \$479.4 million or \$4.42 in 2007. A \$353.8 million non-cash impairment of intangible Goodwill contributed \$3.11 (after tax) per share of the loss, and an additional \$317.1 million or \$1.75 (after tax) per share was attributable to impairment losses on investment securities and valuation losses on securities purchased from Lockhart Funding, LLC. An increase in the Company's provision for loan losses, from \$152.2 million in 2007 to \$648.3 million in 2008, reduced 2008 earnings per share by approximately \$2.81 as compared to the prior year. Increased losses on derivatives, which don't qualify under accounting rules as true "hedges," also reduced net earnings per share by approximately \$0.20 in 2008 as compared to 2007, primarily due to "mark-to-market" write-downs reflecting the abnormal relationship between various interest rate indices during the recent turmoil in the nation's credit markets.

Taxable-equivalent revenue, when adjusted to exclude impairment and valuation losses on securities and nonhedge derivatives, increased \$45.7 million or 1.8% in 2008 to \$2,539.4 million. This reflects strong loan growth, particularly in the first half of the year, tempered by a somewhat less favorable mix of funding. Average loans and leases grew 11.3% in 2008, and total earning assets grew 10.8%. Average total deposits increased 4.9%, including a 7.6% increase in average interest-bearing deposits and a 2.7% decrease in average noninterest bearing-demand deposits. As a result, the Company's

net interest margin decreased to 4.18% in 2008 from 4.43% in 2007.

Total operating expense increased 5.0% to \$1,475.0 million in 2008. Approximately two-thirds of the net increase in operating expenses was attributable to higher costs associated with foreclosed real estate ("other real estate owned," or "OREO"), including valuation adjustments and disposal costs. Excluding the increase in OREO expenses, operating costs increased 1.7%.

A noncash impairment charge of \$353.8 million on intangible goodwill was incurred, resulting in the write-off of all remaining goodwill created through "purchase accounting" adjustments associated with acquisitions previously completed in the Arizona, Nevada and Colorado markets. The write-off does not affect regulatory capital levels, nor does it affect the Company's tangible capital.

## LOAN QUALITY

The Company's loan portfolio experienced increased stress in 2008, particularly in the residential development and construction segment of the portfolio. This was especially the case in Southwestern markets that have been hard-hit by the nation's housing crisis, where steep declines in home prices and property values have eroded collateral margins. Nonperforming assets as a percentage of net loans, leases and other real estate owned climbed to 2.71% from 0.73% a year ago.

The ratio of net charge-offs to average loans increased to 0.96% in 2008 from 0.17% the prior year. While higher than 2007 levels, our net loan losses remain well below peer levels. This is a result, in part, of

**\$6.5**  
**BILLION**  
**SHAREHOLDERS'**  
**EQUITY**  
( \$6,501,696,000 )



OVERALL SATISFACTION  
TREASURY MANAGEMENT –  
OVERALL  
SATISFACTION AND  
CUSTOMER SERVICE

**#1**  
**REVENUE GROWTH**  
**COMPANY IN UTAH IN 2008**  
MOUNTAINWEST  
CAPITAL NETWORK  
UTAH 100 AWARDS.

NEARLY  
**\$3**  
**BILLION**  
**IN NEW LOANS**  
**EXTENDED IN**  
**4TH QUARTER**  
**OF 2008**

## WHAT ARE THE CAUSES OF THE ECONOMIC CHALLENGES WE ARE CURRENTLY FACING?

Q & A



While business cycles have always been with us, many observers believe that we are currently in the most severe recession since the 1930s. Most also agree that subprime residential mortgage loans and a prolonged period of low interest rates earlier this decade, which fueled an unprecedented housing boom, were among the root causes of the current economic crisis. Originally designed to help potential buyers who might not qualify for a traditional mortgage, subprime mortgage loans saw explosive growth, driven in large part by loan originators and mortgage brokers who were paid to get a loan closed regardless of credit weaknesses and investment bankers who were paid to

package and sell loans through complex securities. Increased demand led to a surge in home construction and prices, creating a housing “bubble.” Many homeowners used their home equity to increase their debt, which in turn resulted in more consumer spending. And this spending drove growth in retail and other sectors that are now suffering significant declines.

Thus, this economic cycle is more complex than past housing cycles in which prices rose, then generally leveled off. Much of the increase in debt during the past decade was transformed into complex securities that were sold to a wide array of investors in addition to banks or other traditional lenders. This created a “shadow banking system” that, by some estimates, grew to be as large as the traditional one. The dismantling of this far-reaching shadow banking system is contributing to the severity of the current recession.

Both consumer and business debt is retreating from record high levels. Individuals and companies are “de-leveraging” and returning to more manageable levels of debt. The savings rate – which was near zero at the beginning of 2008 – is beginning to climb. In the short term, this reduction in spending is making the recession worse, but it also suggests that we are slowly and painfully getting back onto firm economic ground. Like other business cycles, this one *will* have an end.

relatively strong performance in our consumer portfolio. While many banks have experienced substantial losses in home equity credit line and credit card portfolios as a result of high advance rates and aggressive terms, our consumer portfolio has performed well above those of our peers.

We expect losses in our loan portfolios to remain elevated over the next several quarters. Accordingly, we substantially increased our reserves for future credit losses in 2008, reflecting the increased level of risk in the portfolio and uncertainty in the economy. The combined allowance for loan losses and reserve for unfunded lending commitments rose 53.4% or \$257.0 million to \$737.9 million at year-end, from \$480.9 million a year ago.

#### INVESTMENT SECURITIES IMPAIRMENTS

We continued to experience impairment and valuation losses in our securities portfolio, reflecting both underlying credit stress for the collateral backing these securities, and illiquidity in global capital markets in 2008. The largest portion of impairment losses – \$203.3 million – were experienced in a portfolio of collateralized debt obligations (“CDOs”) backed by trust preferred securities issued by banks and insurance companies. The impairment losses were triggered by expectations that a higher rate of failures, particularly among the nation’s community banks, will result in higher levels of defaults on these securities. Accounting rules require that such securities be written down to their “fair value” based on an analysis, at each quarterly reporting date, of

expected defaults and current discount rates for such securities. A substantial portion of the loss recognized in 2008 arises not from expected credit losses, but from the steep discount rates used to value the expected future cash flows from these securities, reflecting illiquidity in the market. This portion of the recognized loss will be amortized back into income over the remaining life of the securities.

We also experienced valuation losses of \$13.1 million related to the purchase of securities from Lockhart Funding, LLC, a qualifying special purpose entity for which Zions Bank provides liquidity and credit support. The liquidity agreement requires, among other provisions, that securities downgraded below AA- be purchased from Lockhart at their book value. The securities thus purchased must be booked at their fair market value, which, in the highly stressed capital markets prevailing in 2008 created steep discounts and resultant losses, despite the fact that all of the purchased securities have at all times remained current with respect to principal and interest payments. We expect that, under presently proposed accounting transition rules, the remainder of Lockhart’s assets will be consolidated on our balance sheet on January 1, 2010 at their then-current carrying value. We anticipate that this will add approximately one half of one percent to the Company’s consolidated assets.

The markets for many securities remain in a state of disarray, and we will continue to evaluate these securities for additional impairment in the quarters ahead.

**NET  
CHARGE-OFFS:  
ABOUT  
1/2 PEER  
GROUP  
AVERAGE**

**\$0**  
**SUBPRIME  
MORTGAGE LOANS**

**0.40%**  
**DELINQUENCY  
RATE IN  
HOME EQUITY  
CREDIT LINES  
(AS OF 12/31/08)**

**8**  
**LOCAL BANKS IN**  
**10**  
**HIGH-GROWTH  
STATES**

## WHAT LESSONS HAS ZIONS LEARNED FROM THIS CYCLE?



Fortunately, our risk management and credit policies, honed over many years and previous economic cycles, helped us avoid some of the problems of this cycle. We did not originate or purchase subprime mortgage loans. We did not originate or purchase high loan-to-value home equity credit lines. We did not invest in the preferred stock of Fannie Mae or Freddie Mac.

A downturn in the economy always reinforces important lessons. This downturn has reminded us how important it is to have a diversified portfolio – many types of borrowers and loans across many geographies. It has reminded us of some of the fundamental rules of sound lending – knowing your customer, having good collateral and conservative underwriting policies. This downturn has made it clear that credit ratings are not infallible and that the world can change quickly.

Such lessons are sometimes painful and costly, but they are also extremely valuable. The lessons learned during previous cycles have saved us literally millions of dollars during this one. We have been reminded of the importance of maintaining a strong capital base, sticking to time-proven lending principles, maintaining liquidity and having a strong core deposit base.

Q & A

## THESE ACTIONS PROVIDED THE COMPANY WITH THE STRONGEST CAPITAL RATIOS WE'VE HAD IN RECENT HISTORY.

### CAPITAL AND LIQUIDITY

In the current challenging economic environment, maintaining adequate capital is especially important for Zions Bancorporation, and for the banking system at large. Like many banks, we experienced strong loan growth, particularly in the first half of the year, which placed a strain on capital and liquidity as balance sheet growth was outpacing our ability to internally generate equity capital. For the industry at large, this phenomenon resulted in part due to breakdowns in the capital markets for securitized debt; consequently, banks became more important sources of credit for many borrowers. To meet the need for additional equity, Zions issued approximately \$47 million of perpetual preferred stock in July, and \$250 million of common stock in September.

Following a series of historic events in mid-September – including the effective nationalization of Fannie Mae, Freddie Mac and AIG, the bankruptcy of Lehman Brothers and the near collapse of the money market mutual fund industry – Congress enacted the Emergency Economic Stabilization Act of 2008. This bill, widely known as the “TARP” (Troubled Asset Relief Program) legislation, created the Capital Purchase Program, whereby the U.S. Department of Treasury provided substantial amounts of nonvoting nonconvertible preferred equity to virtually every major bank in the United States that qualified for the program. Zions Bancorporation issued \$1.4 billion of preferred shares to the Treasury Department under the program. The terms of the transaction provide for a coupon of 5% for the first five years the securities are outstanding, after which the coupon escalates to 9%. Additionally, the Treasury Department received warrants that allow for the purchase of \$210 million of common shares at a price of \$36.27 per share during the ten-year period ending in October, 2018.

These actions provided the Company with the strongest capital ratios we've had in recent history. At year-end, our tangible common equity was 5.89% of tangible assets, an increase from 5.70% a year ago. Our regulatory capital ratios strengthened materially, as Tier 1 risk-based capital increased to 10.22% at year-end from 7.57% a year ago; and total risk-based capital increased to 14.32% from 11.68% a year ago. This is in addition to the previously described 53.4% increase in the total allowance for credit losses.

In light of the increasingly difficult environment in which we are operating, the Company's board of directors reduced the fourth quarter dividend to \$0.32 from the previous level of \$0.43 per share. As it has become clear that the depth and duration of the current economic recession is likely to be quite severe, the board further reduced the dividend to \$0.04 per share in the first quarter of 2009. The reduction in the dividend, while painful, is important in conserving and protecting capital through a very challenging period.

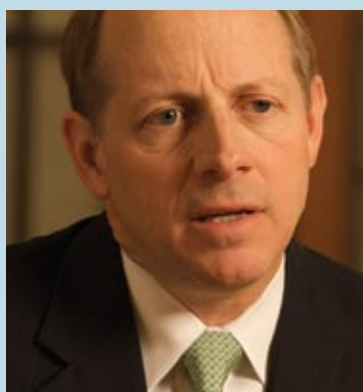
In addition to a focus on building our capital levels, we've also worked hard to strengthen the Company's liquidity during the past year, and especially during the latter half of the year. At year-end, we estimate that we had available borrowing capacity at the Federal Reserve and the Federal Home Loan Bank System equal to approximately one-third of our total deposits.

### BUILDING THE BUSINESS

The past year has presented challenges, but also opportunities. In September, we acquired from the FDIC approximately \$737 million in insured deposits from the failed Silver State Bank, with thirteen branches in southern Nevada, and four branches in the Phoenix, Arizona metropolitan area. We've consolidated thirteen

## HOW HAS ZIONS PERFORMED RELATIVE TO THE INDUSTRY?

Q & A



During 2008, the Keefe Bruyette Bank Index, an index of the stock performance of 24 of the country's largest banks, declined by 50.0%. Zions' stock price declined by 47.5%. So, even though it was a very painful year for Zions' shareholders, our stock performance was slightly better than that of our peers.

The vast majority of our income is derived from very traditional, old-fashioned banking: we take in deposits and make loans. The difference between the interest we earn and the amount we pay is called net interest income. This net interest income accounts for about three-fourths of our revenue.

Generating this income requires that we take some risks – even in the best of times, not every loan will be repaid in full. As a result, net interest income may be reduced by loan losses. Over the course of an economic cycle, one of the better measures of a bank's performance is the "risk-adjusted" net interest margin (taxable-equivalent net interest income less net charge-offs, as a percentage of average interest-earning assets). Zions is an industry leader by this measure. Even in this very difficult year, where our loan losses have been higher than usual (although they are significantly lower than the average loan losses of our large-bank peers) our risk-adjusted net interest margin was among the strongest in the industry.

of these branches into our existing locations. After the anticipated run-off of higher-cost accounts, we expect to retain approximately \$330 million of acquired deposits from this transaction. Subsequent to year-end, we acquired all of the loans and deposits of the failed Alliance Bank, with five locations in California's Los Angeles and Orange counties. The transaction includes a substantial risk-sharing agreement with the FDIC, and we expect that the economics of this transaction will prove to be very favorable for us. After "right-sizing" this operation, we expect that we will retain approximately \$400-500 million each of deposits and loans, and four new branches focused on serving small-to-medium sized businesses.

During 2008 we announced the consolidation of 49 branches located in grocery stores in Nevada and Utah into nearby locations, with the goal of rationalizing our delivery system to focus on larger, full-service branches that can meet the needs not only of consumers, but of local businesses. We are continuing to emphasize our capabilities in providing a broad array of financial services to businesses of all sizes. We remain one of the nation's leading SBA (U.S. Small Business Administration) lenders. And we are a leader in providing innovative treasury management and depository solutions to businesses. We're confident we lead the industry in our sales of "remote capture" solutions to small businesses, allowing them the convenience of depositing checks in real time from their place of business using our secure proprietary software and an optical scanner. We placed approximately 10,000 scanners during 2008, and have a

total of more than 32,000 accounts actively depositing funds by using this technology.

The resiliency of our incredible employees and their determination to serve customers was amply demonstrated following the landfall of Hurricane Ike along the Texas coast early on the morning of Saturday, September 13, causing widespread destruction in the greater Houston area. By the following Monday morning, Amegy Bank, our Texas affiliate, was open for business with more than 20 of its Houston-area branches and more than 50 ATMs providing cash and other services to customers.

In October we were proud to have Zions Bank ranked as having the second strongest team of women bankers in the nation by *U.S. Banker* magazine. At the same time, they recognized five Zions Bancorporation bankers as being among the top fifty women in the banking industry – an extraordinary ten percent of the total women so recognized. We were also delighted to be recognized by Greenwich Associates, a leading national market research firm that focuses on the financial services industry, as being a national leader in providing treasury management services, and in overall satisfaction in serving the banking needs of middle market businesses. The results were based on interviews with over 17,000 businesses with sales of between \$10 million and \$500 million throughout the nation.

#### THE FUTURE

Though we're in challenging times, we face the future with considerable strength, including strong capital,

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135  
YEARS OF  
CONTINUOUS  
OPERATION

57%  
AVERAGE LOAN  
TO VALUE RATIO  
ON COMMERCIAL  
REAL ESTATE LOANS

*"We believe that Zions' credit metrics should continue to perform better than peers through the current credit cycle, given management's historically conservative underwriting process and disciplined approach toward credit management."*

ROBERT PATTEN  
MORGAN KEEGAN

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## WHAT DOES THE FUTURE HOLD?



While every business cycle has an end, 2009 is likely to be a difficult year for the economy and the banking industry. Loan demand is currently weak, as businesses and consumers cut back on spending. But when people begin borrowing again we are well positioned to provide the credit that will enable businesses to grow and the economy to strengthen.

We are located in a region of the country that is expected over the long term to experience greater population and economic growth than the rest of the nation. We have a unique operating model that keeps us close to our customers. We expect to continue to be the premier bank in the West for small and middle-market businesses, and to provide the very best in a broad range of financial services to all of our customers.

# Q & A

*“The best model [in the new environment] will be independent business units pursuing company-wide strategies, with centralized control systems.”*

WILLIAM M. ISAAC

Chairman, Secura Group and Former Chairman, FDIC (*ABA Banking Journal*, September, 2008)

strong fundamental earnings power, and loan losses that are significantly lower than industry averages. Among the two dozen largest domestically headquartered traditional bank holding companies in the United States,<sup>1</sup> Zions Bancorporation's 2008 year-end tangible common equity as a percentage of tangible assets, at 5.89%, was 18% greater than the median level for the peer group, and 80% greater than the asset-weighted average for the group. Our 2008 net interest margin – a fundamental measure of our earning power computed by dividing taxable-equivalent net interest income by average interest-earning assets – was, at 4.18%, in the 91st percentile among the group and 34% greater than our peers' weighted average level. At the same time, our net loan charge-offs as a percentage of average 2008 loans, at 0.96%, was 53% of the peers' weighted average ratio of 1.81%, and placed us in the 68th percentile among the peer group. If net loan charge-offs are subtracted from net interest income, a measure we refer to as “risk-adjusted” net interest margin is derived. Since higher net interest income is often correlated with higher levels of credit risk, this measure attempts to adjust for that risk by eliminating from the margin the actual realized losses in the loan portfolio during the period. By this measure, Zions had the second highest risk-adjusted core earnings strength last year, with a risk-adjusted margin of 3.36%

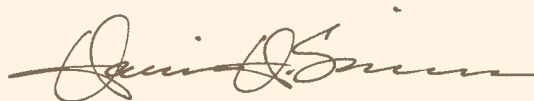
of average earning assets – 55% stronger than the peer group's weighted average figure of 2.17%.

Our franchise remains one of the most admired in the industry, serving some of the most attractive long-term growth markets in the nation. And we do it with a community banking structure that allows us to serve customers with a very local approach and accessibility to management, while providing an extraordinarily strong set of products.

Our greatest strength will always be our people. To them, I express my deepest appreciation for their hard work and commitment through a tough period. All of the strengths we possess are the product of this talented and dedicated group of bankers. It's a privilege to work with them.

Thanks to each of you as shareholders for your continuing support. We look forward to an improvement in the economy and in our results and shareholder returns.

Sincerely,



**HARRIS H. SIMMONS**

Chairman, President and Chief Executive Officer

February 25, 2009

<sup>1</sup>Based on 12/31/08 Federal Reserve data and individual company reports for the 24 largest domestically headquartered bank holding companies. The group excludes trust and processing banks and companies not primarily engaged in commercial banking. Zions is 17th in asset size among these companies.

## FINANCIAL HIGHLIGHTS

(In millions, except per share amounts)

	2008/2007 change	2008	2007	2006	2005 <sup>4</sup>	2004
<b>FOR THE YEAR</b>						
Net interest income	+5%	\$ 1,971.6	1,882.0	1,764.7	1,361.4	1,160.8
Noninterest income	-54%	190.7	412.3	551.2	436.9	431.5
Total revenue	-6%	2,162.3	2,294.3	2,315.9	1,798.3	1,592.3
Provision for loan losses	+326%	648.3	152.2	72.6	43.0	44.1
Noninterest expense	+5%	1,475.0	1,404.6	1,330.4	1,012.8	923.2
Impairment loss on goodwill		353.8	—	—	0.6	0.6
Income (loss) before income taxes and minority interest						
Income taxes (benefit)	-143%	(314.8)	737.5	912.9	741.9	624.4
Minority interest	-118%	(43.4)	235.8	318.0	263.4	220.1
Net income (loss)	-163%	(5.1)	8.0	11.8	(1.6)	(1.7)
Net earnings (loss) applicable to common shareholders	-154%	(266.3)	493.7	583.1	480.1	406.0
	-161%	(290.7)	479.4	579.3	480.1	406.0
<b>PER COMMON SHARE</b>						
Net earnings (loss) – diluted	-160%	(2.66)	4.42	5.36	5.16	4.47
Net earnings (loss) – basic	-160%	(2.67)	4.47	5.46	5.27	4.53
Dividends declared	-4%	1.61	1.68	1.47	1.44	1.26
Book value <sup>1</sup>	-10%	42.65	47.17	44.48	40.30	31.06
Market price – end		24.51	46.69	82.44	75.56	68.03
Market price – high <sup>2</sup>		57.05	88.56	85.25	77.67	69.29
Market price – low		17.53	45.70	75.13	63.33	54.08
<b>AT YEAR-END</b>						
Assets	+4%	55,093	52,947	46,970	42,780	31,470
Net loans and leases	+7%	41,859	39,088	34,668	30,127	22,627
Sold loans being serviced <sup>3</sup>	-69%	578	1,885	2,586	3,383	3,066
Deposits	+12%	41,316	36,923	34,982	32,642	23,292
Long-term borrowings	+1%	2,622	2,591	2,495	2,746	1,919
Shareholders' equity:						
Preferred equity	+559%	1,582	240	240	—	—
Common equity	-3%	4,920	5,053	4,747	4,237	2,790
<b>PERFORMANCE RATIOS</b>						
Return on average assets		(0.50)%	1.01%	1.32%	1.43%	1.31%
Return on average common equity		(5.69)%	9.57%	12.89%	15.86%	15.27%
Efficiency ratio		67.47%	60.53%	56.85%	55.67%	57.22%
Net interest margin		4.18%	4.43%	4.63%	4.58%	4.27%
<b>CAPITAL RATIOS<sup>1</sup></b>						
Equity to assets		11.80%	10.00%	10.62%	9.90%	8.87%
Tier 1 leverage		9.99%	7.37%	7.86%	8.16%	8.31%
Tier 1 risk-based capital		10.22%	7.57%	7.98%	7.52%	9.35%
Total risk-based capital		14.32%	11.68%	12.29%	12.23%	14.05%
Tangible common equity		5.89%	5.70%	5.98%	5.28%	6.80%
Tangible equity		8.86%	6.17%	6.51%	5.28%	6.80%
<b>SELECTED INFORMATION</b>						
Average common and common-equivalent shares (in thousands)		109,145	108,523	108,028	92,994	90,882
Common dividend payout ratio		na	37.82%	27.10%	27.14%	28.23%
Full-time equivalent employees		11,011	10,933	10,618	10,102	8,026
Commercial banking offices		513	508	470	473	386
ATMs		625	627	578	600	475

<sup>1</sup> At year-end.<sup>2</sup> The actual high price was \$107.21. However, this trading price was an anomaly resulting from electronic orders at the opening of the market on September 19, 2008 in response to the SEC's announcement (prior to the market opening that day) of its temporary emergency action suspending short selling in financial companies. The closing price on September 19, 2008 was \$52.83.<sup>3</sup> Amount represents the outstanding balance of loans sold and being serviced by the Company, excluding conforming first mortgage residential real estate loans.<sup>4</sup> Amounts for 2005 include Amegy Corporation at December 31, 2005 and for the month of December 2005. Amegy was acquired on December 3, 2005.

## ZIONS BANCORPORATION



THE COMPLETE LISTS OF 2008 OFFICERS & DIRECTORS  
FOR ZIONS BANCORPORATION AND ITS SUBSIDIARIES ARE  
AVAILABLE AT [WWW.ZIONSBANCORPORATION.COM](http://WWW.ZIONSBANCORPORATION.COM).

### CORPORATE OFFICERS

**Harris H. Simmons**  
*Chairman, President  
and Chief Executive Officer*

**Doyle L. Arnold**  
*Vice Chairman and  
Chief Financial Officer*

#### Executive Vice Presidents

**Bruce K. Alexander**  
*CEO, Vectra Bank Colorado*

**A. Scott Anderson**  
*CEO, Zions First  
National Bank*

**David E. Blackford**  
*CEO, California Bank & Trust*

**Danne L. Buchanan**  
*CEO, NetDeposit, Inc.*

**Gerald J. Dent**  
*Credit Administration*

**George M. Feiger**  
*Wealth Management*

**Dallas E. Haun**  
*CEO, Nevada State Bank*

**W. David Hemingway**  
*Capital Markets and Investments*

**John T. Itokazu**  
*Operations and  
Information Systems*

**Thomas E. Laursen**  
*General Counsel*

**Connie Linardakis**  
*Human Resources*

**Keith D. Maio**  
*CEO, National Bank  
of Arizona*

**Dean L. Marotta**  
*Risk Management*

**Scott J. McLean**  
*President, Amegy Bank of Texas*

**Paul B. Murphy, Jr.**  
*CEO, Amegy Bank of Texas*

**Stanley D. Savage**  
*CEO, The Commerce Bank  
of Washington*

#### Senior Vice Presidents

**Nolan Bellon**  
*Controller*

**Clark B. Hinckley**  
*Investor Relations*

**Ronald L. Johnson**  
*Credit Examination*

**Alvin Lee**  
*Corporate Development*

**Norman W. Merritt**  
*Compliance*

**Jennifer A. Smith**  
*Internal Audit*

**H. Walter Young**  
*Corporate Finance*

#### Vice Presidents

**Jennifer R. Jolley**  
**Melvin D. Leibsla**  
**John A. Payne**

### BOARD OF DIRECTORS

**Jerry C. Atkin**<sup>1,2,5</sup>  
*Chairman, President and  
Chief Executive Officer*  
*Skywest Airlines*  
*St. George, Utah*

**R. D. Cash**<sup>3,4,5</sup>  
*Retired/Former  
Chairman, President  
and Chief Executive Officer*  
*Questar Corporation*  
*Lubbock, Texas*

**Patricia Frobes**<sup>1,3,4</sup>  
*Retired/Former  
Senior Vice President*  
*The Irvine Company*  
*Newport Beach, California*

**J. David Heaney**<sup>2,4</sup>  
*Chairman*  
*Heaney Rosenthal, Inc.*  
*Houston, Texas*

**Roger B. Porter**<sup>1,3,5</sup>  
*IBM Professor of Business  
and Government,*  
*Harvard University*  
*Cambridge, Massachusetts*

**Stephen D. Quinn**<sup>1,2,4</sup>  
*Retired/Former Managing  
Director and General Partner*  
*Goldman, Sachs & Co.*  
*New Canaan, Connecticut*

**Harris H. Simmons**<sup>1</sup>  
*Chairman, President and  
Chief Executive Officer  
of the Company and  
Chairman of the Board of*  
*Zions First National Bank*  
*Salt Lake City, Utah*

**L. E. Simmons**<sup>4</sup>  
*President*  
*SCF Partners, LP*  
*Houston, Texas*

**Shelley Thomas Williams**<sup>2,3</sup>  
*Communications Consultant*  
*Sun Valley, Idaho*

**Steven C. Wheelwright**<sup>1,3,5</sup>  
*President Brigham Young  
University-Hawaii*  
*Laie, Hawaii*

<sup>1</sup> Member, Executive Committee

<sup>2</sup> Member, Audit Committee

<sup>3</sup> Member, Compensation Committee

<sup>4</sup> Member, Credit Review Committee

<sup>5</sup> Member, Nominating and Corporate  
Governance Committee

## CORPORATE INFORMATION

### EXECUTIVE OFFICES

One South Main Street  
Salt Lake City, Utah 84133-1109  
801-524-4787

### TRANSFER AGENT

Zions First National Bank  
Corporate Trust Department  
One South Main Street, 12th Floor  
Salt Lake City, Utah 84133-1109  
801-844-7545 or 888-416-5176

### REGISTRAR

Zions First National Bank  
One South Main Street, 12th Floor  
Salt Lake City, Utah 84133-1109

### AUDITORS

Ernst & Young LLP  
178 S Rio Grande Street, Suite 400  
Salt Lake City, Utah 84101

### NUMBER OF COMMON SHAREHOLDERS

6,388 as of December 31, 2008

### NASDAQ GLOBAL SELECT MARKET SYMBOL

ZION

### OTHER LISTED SECURITIES

Series A Preferred Stock – NYSE:  
ZBPRA  
Zions Capital Trust B – NYSE: ZBPRB  
Series C Preferred Stock – NYSE:  
ZBPRC

### DIVIDEND REINVESTMENT PLAN

Shareholders can reinvest their cash dividends in additional shares of our common stock at the market price on dividend payment date. Shareholders, as well as brokers and custodians who hold our common stock for clients, can obtain a prospectus of the plan by writing to:

Zions Bancorporation  
Dividend Reinvestment Plan  
P.O. Box 30880  
Salt Lake City, Utah 84130-0880

### CREDIT RATINGS

Credit ratings are updated regularly and may be found on the Zions Bancorporation Web site ([www.zionsbancorporation.com](http://www.zionsbancorporation.com))

### OPTION MARKET MAKERS

Chicago Board Options Exchange  
Philadelphia Stock Exchange

### SELECTED INDEX MEMBERSHIPS

S&P 500  
S&P Global 1200  
KBW Bank  
Nasdaq Financial 100

### INVESTOR RELATIONS

For financial information about the Corporation, analysts, investors and news media representatives should contact:  
801-524-4787

[investor@zionsbancorp.com](mailto:investor@zionsbancorp.com)

### ZIONS BANCORPORATION NEWS RELEASES

Our news releases are available on our website at: [www.zionsbancorporation.com](http://www.zionsbancorporation.com). To be added to the e-mail distribution list, please visit [www.zionsbancorporation.com](http://www.zionsbancorporation.com) and click on "E-mail Notification."

### INTERNET SITES

**Zions Bancorporation:**  
[www.zionsbancorporation.com](http://www.zionsbancorporation.com)

**Zions First National Bank:**  
[www.zionsbank.com](http://www.zionsbank.com)

**California Bank & Trust:**  
[www.calbanktrust.com](http://www.calbanktrust.com)

**Amegy Bank:**  
[www.amegybank.com](http://www.amegybank.com)

**National Bank of Arizona:**  
[www.nbarizona.com](http://www.nbarizona.com)

**Nevada State Bank:**  
[www.nsbank.com](http://www.nsbank.com)

**Vectra Bank Colorado:**  
[www.vectrabank.com](http://www.vectrabank.com)

**The Commerce Bank of Washington:**  
[www.tcbwa.com](http://www.tcbwa.com)

**The Commerce Bank of Oregon:**  
[www.tcboregon.com](http://www.tcboregon.com)

**Contango Capital Advisors Inc.:**  
[www.contangocapitaladvisors.com](http://www.contangocapitaladvisors.com)

**NetDeposit, LLC:**  
[www.netdeposit.com](http://www.netdeposit.com)

**Zions Direct, Inc.:**  
[www.zionsdirect.com](http://www.zionsdirect.com)



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ZIONS BANCORPORATION

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