ZIONS BANCORPORATION

2017 YEAR IN REVIEW

PEOPLE MEAN EVERYTHING

Front Cover: Hope Butler, Private Banking; Richard Hong, Branch Manager; Lila Colridge, Branch Manager; Veronica Wallace, Training Manager; Paula Fryland, Commercial Banking; Todd Baker, Branch Manager; Andrea Brimhall, Foreign Exchange Operations Specialist; Thomas Morgan, Executive Director Retail and Omni Channel Banking; Chris Penman, Commercial Relationship Manager; Nebiat Haile, Treasury Management Officer

"Our Guiding Principles speak to the importance of creating value for our customers, our employees and our shareholders. In truth, value creation is possible only when you have great Employees. We have truly extraordinary bankers who develop strong and enduring relationships with Customers – the kinds of relationships that allow us to become long-term partners in helping our customers strengthen their financial foundations and build outstanding businesses. They're also the kinds of bankers who are leaders in building their Communities. They understand that what we do as bankers is tantamount to providing the financial 'oxygen' that is critical in building strong local economies. Our bankers are also exemplary in giving of their time, talent and leadership, and delivering the Company's financial resources, in solving pressing needs in their communities."

Harris H. Simmons, Chairman and CEO

Our **EMPLOYEES** Mean Everything

Angela Underwood Jacobs, Senior Vice President, California Bank & Trust: Angela has been instrumental in the development and success of the Greater Southern California North Region through her ability to connect new businesses within the Antelope Valley community to the resources available at California Bank & Trust. Angela consistently collaborates with local business leaders and state legislators to build new opportunities where families, businesses and communities can thrive. Angela also serves as a Lancaster City Councilmember – the first African-American Woman elected to the Lancaster City Council, as well as on the board of directors of several other local organizations.

Marcos Garay, Executive Vice President, Director of Strategic Business Development, National Bank of Arizona: Marcos is an accomplished senior executive with extensive international experience in financial services in the U.S. and Mexico. He is leading the National Bank of Arizona's outreach efforts to Hispanic, minority and women business owners, partnering small business networks, middle market companies and leading Hispanic organizations in Arizona. Marcos has also started offering financial education seminars to groups of small business owners with no banking experience. The results of his influence are evident as small and medium size business owners in the Hispanic community have become more aware of the resources available to them at the National Bank of Arizona, and this important market is rapidly growing.

Luz Escamilla, Vice President Community Development, Zions Bank: Luz is responsible for establishing, cultivating and maintaining business relationships across Utah and Idaho. She has played a significant role in connecting local organizations, businesses and individuals with the resources available at Zions Bank to help them maximize their growth potential. Beyond her role in the bank, since 2009, Luz has served as a Utah State Senator, where she is currently serving as the Senate Assistant Minority Whip. As a Senator, Luz has been working for better schools and educational opportunities, effective public safety programs for all children, and an expansion of health care for the uninsured and children.

EOPLE

Our **CUSTOMERS** Mean Everything

CECA Supply & Service Inc. is a Houston-based company that exports oilfield equipment to North Africa. Knowing they needed a local bank with quick decision-making capability and international expertise, CECA took advantage of the Export-Import Working Capital Guarantee Program through Amegy Bank. “Once we chose Amegy, we never looked back. Both their attention to detail and commitment to helping us achieve our objectives are second to none,” says Maher Touma, CEO of CECA. Through Amegy’s Export-Import Bank relationship, CECA has been able to increase its sales from $5 million to just over $60 million. We’re proud to work with CECA and help them meet the growing needs of their clients, worldwide.

Las Vegas Day School, a non-sectarian, non-denominational private school, has been a Nevada State Bank client since the school was founded in 1961 by Jack and Helen Daseler. Since the 1980s, their three sons have continued their parents’ tradition of providing a strong foundation for students’ educational success, and the school has grown from 27 students to more than 800 today. “Nevada State Bank has been our financial partner for more than 50 years,” shared Neil Daseler, Director, Las Vegas Day School. “They have been there for us during each phase of our development and were instrumental in the completion of our new state-of-the-art campus masterplan.”

Situs Investors LLC: Over the years Situs has built a family real estate empire, owning and managing a portfolio of commercial buildings and residential buildings across the Denver Metro area. Focusing on customer service and internal growth of existing tenants, the buildings managed and leased by Situs have maintained near full occupancy with waiting lists over the past several years. Situs strives to improve the communities in which it operates by continuously reinvesting in its portfolio of properties and forming positive relationships with local authorities to improve safety, well-being for its tenants and the community.

Our **COMMUNITIES** Mean Everything

Women Organizing Resources Knowledge and Services (WORKS): California Bank & Trust was proud to partner with WORKS, the City and County of Los Angeles, the Department of Veteran's Affairs and the State of California in providing a $9.4 million construction bond and other financing for permanent supportive and affordable housing. In August 2017, WORKS constructed T. Bailey Manor, a mixed use development, which included 46 apartment units and two commercial spaces in a renovated building. The property serves households with formerly homeless veterans and other special needs individuals and families.

Compass Housing Alliance (CHA): For almost 20 years, The Commerce Bank of Washington has partnered with Compass Housing Alliance by providing systems for their representative payee and financial support services as well as providing loans for low income housing projects and sponsoring the organization for Federal Home Loan Bank Community Investment Grants. CHA develops and provides essential services and affordable housing for homeless and low-income people in the greater Puget Sound region. For almost 100 years, Compass Housing Alliance has been meeting the needs of vulnerable community members – from emergency services to permanent affordable housing.

Zions Bank Annual Paint-a-thon: More than 3,100 Zions Bank employees and family members participated in the 27th annual Paint-a-Thon, painting and beautifying 45 homes in Utah and Idaho. Over the years, Zions' bankers have painted and fixed up more than 1,110 homes for seniors, the disabled and veterans who've needed help in maintaining their residences. Zions Bank President and CEO Scott Anderson challenged the community through a viral video featuring bankers having gallon buckets of paint dumped on their heads: "So if you see us in your neighborhood, feel free to join in. Roll up your sleeves. Don't be afraid to get a little messy."

HURRICANE HARVEY devastated Houston and the surrounding areas in 2017, but what we remember most is how everyone came together as a company and as a family.

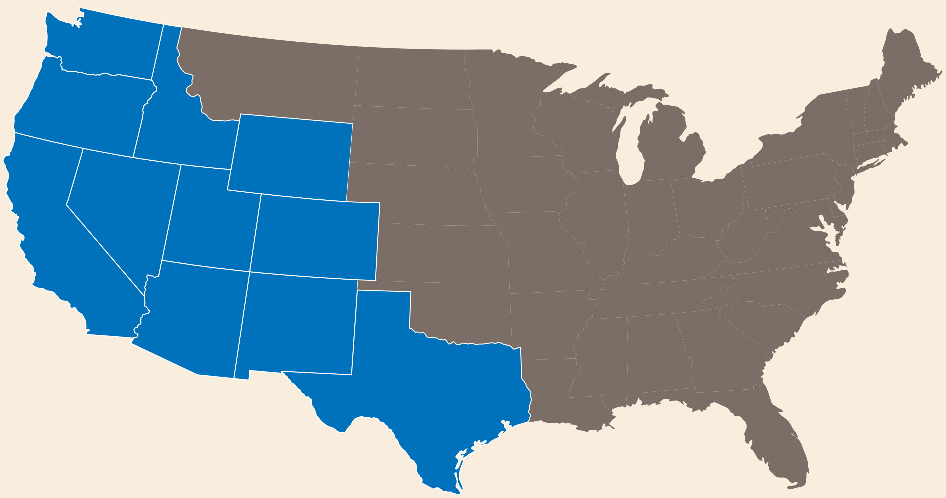
"I have never seen an executive management team rally behind its people like I've seen at Amegy Bank. I can't say enough about the teams from San Antonio and Dallas/Fort Worth who brought truckloads of supplies to Houston when the stores in Houston were not open. What really came through in this was just how much all of Zions' employees care for each other. What an amazing group of people."

David McGee

President, Amegy Bank, San Antonio Region

A COLLECTION OF GREAT BANKS

We remain committed to our distinctively local approach to banking, operating as a "Collection of Great Banks" with local brand names and management teams in each of our major western markets. This approach has yielded many customer satisfaction awards over recent years. We're simplifying our operational processes, major operating policies, and the products we offer to our customers. We expect these changes to provide a better experience for our customers and to produce strong improvements in profitability.



Zions Bank
Salt Lake City, UT /
Boise, ID / Jackson, WY
$16 billion deposits

Amegy Bank of Texas
Houston, TX
$11 billion deposits

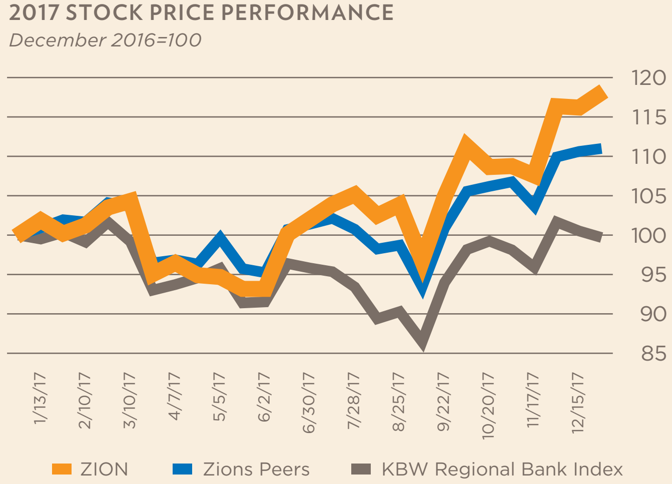
California Bank & Trust
San Diego, CA
$11 billion deposits

National Bank of Arizona
Phoenix, AZ
$5 billion deposits

Nevada State Bank
Las Vegas, NV
$4 billion deposits

Vectra Bank Colorado
Denver, CO
$3 billion deposits

The Commerce Bank of Washington
Seattle, WA
The Commerce Bank of Oregon
Portland, OR
$1 billion deposits



"I've never been as excited about Zions Bancorporation's future as I am at present. We have one of the strongest balance sheets in the industry, with a dramatically improved credit risk profile relative to that of years past. We're making foundational investments in our technology and data infrastructure that should make a substantial difference in the quality of our customer service, the products we can offer, and our operating costs for the next two decades or more. We're making great efforts to streamline and simplify processes in order to produce better outcomes and to serve customers' needs more expeditiously."

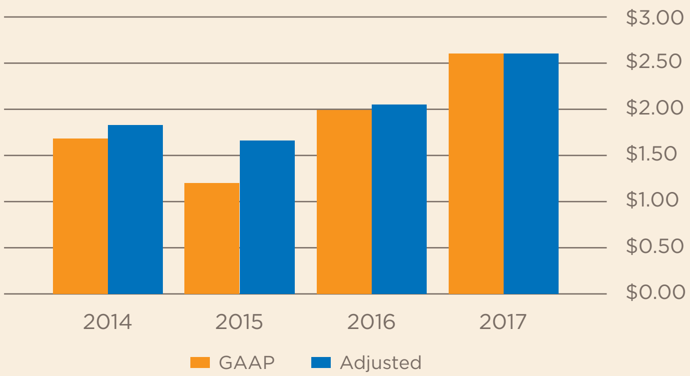
To Our Shareholders

A letter from Harris H. Simmons, Chairman and CEO

When I first started working at Zions First National Bank during the summer after my sophomore year in high school, back in 1970, the bank's advertising tagline was "Where People Mean Everything." For all the changes that have taken place in this industry over the nearly half century that I've been engaged in it, one of the great constants has been that people really do mean everything. Warren Buffett famously said that working with great people is what causes him to tap dance to work every morning – a sentiment I share. We have some truly extraordinary people at Zions Bancorporation. The people I work with are smart, they're fun to be around, and they're focused on excellence. That focus and a great deal of hard work has made all the difference in dramatically improving our results over the past couple of years.

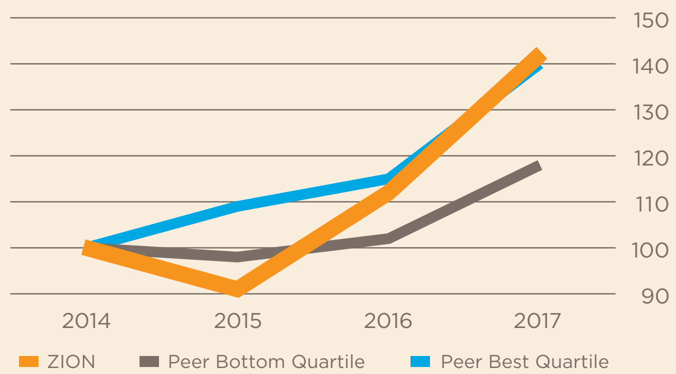
Two and a half years ago, our performance was, quite frankly, flagging – a stark contrast to the strong performance and financial returns we'd enjoyed in the late 1990s and first half of the past decade. The financial crisis and ensuing recession in 2008-2009 had cast a long

EARNINGS PER SHARE



ADJUSTED EARNINGS PER SHARE GROWTH

Indexed: 2014=100



shadow, requiring a great deal of balance sheet repair and portfolio repositioning, much time and money, and literally hundreds of new colleagues committed to responding to both self-identified weaknesses and to new regulatory requirements and expectations. Persistently low interest rates pressured our net interest margin, and credit quality headwinds caused by the sharp downturn in energy prices in late 2014 added to our challenges. By the middle of the current decade, our balance sheet was strong, but our earnings performance was lackluster, at best.

On June 1, 2015, we announced a corporate reorganization and made some specific commitments with respect to financial performance. These included the consolidation of our multiple bank charters into a single charter, while continuing to emphasize our local branding and management of customer-facing activities; the creation of a chief banking officer position to oversee several enterprise-wide lines of business, including retail banking, wealth management and residential mortgage lending; and the consolidation of risk functions and several other back-office processes. At the same time, we committed to a major improvement in our efficiency ratio – a measure of the amount of operating expense required to produce a dollar of revenue – from the mid-70s percentage range to a level in the low 60s percentage range by the end of 2017, while keeping expenses virtually flat. And we included specific benchmarks to be achieved along the way. An overarching theme was a commitment to creating customer experiences and internal work processes that are simple, easy and fast, while continuing to emphasize our very local approach to banking.

I'm proud of the fact that we met every commitment we made nearly three years ago, and I'm even more proud of the great colleagues I work with at Zions Bancorporation who made it happen. The result has been a total return to shareholders of more than 80% between June 1, 2015 and December 31, 2017, and more than a tripling of our quarterly dividend over the same period.

Financial Performance

Fully-diluted earnings per share in 2017 increased 31% to $2.60 from $1.99 in the prior year. But the underlying story is even stronger, as earnings included a deferred tax asset revaluation in the amount of $47 million, and a $12 million one-time contribution to our charitable foundation which will be used to defray expenses in 2018 and beyond, both as a result of the enactment of the Tax Cuts and Jobs Act on December 22, 2017. When adjusted for these unusual items, earnings per share increased 44% in 2017.

Our return on average tangible common equity was 9.0%, and 10.0% when adjusted for the tax reform-related items enumerated above.

Perhaps most notably, our pre-tax, pre-provision net revenue, which is our operating income excluding the provision for loan losses, increased 22% in 2017 when adjusted for the aforementioned charitable contribution. And when evaluating our quarter-by-quarter progress over the past three years, adjusted operating expenses in the last quarter of 2017 were actually slightly lower than expenses in the same quarter three years ago, while revenue had grown 19%. The result was an industry-leading 76% increase in operating income before credit costs over the three-year period.

Our efficiency ratio was 62.3%, an improvement from the 65.8% we posted in 2016, and the trend has been one of continuous improvement. By the fourth quarter, the ratio was 61.6%, and when adjusted for the accelerated charitable contribution made in the fourth quarter, it registered at 59.8%.

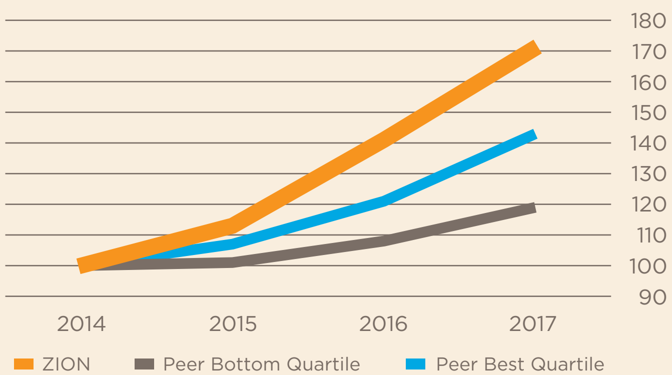
Industry-wide loan growth was modest at 4.5% in 2017, despite improving economic conditions. We fared slightly better, with ending loan growth of 5.0%. We achieved this growth while continuing to limit our exposure to commercial real estate loans, which decreased 1.9%. The remainder of the portfolio grew 7.5% over the course of the year, with over half of that growth occurring in historically lower-risk residential first mortgage loans and municipal loans. Average investment securities increased 53%, completing a two-year program of repositioning cash into moderate-duration securities.

Deposit growth was muted, with year-end total deposits 1.2% lower than a year ago, and average total deposits up 3.2% over the prior year. Our deposit pricing discipline was very strong in a rising interest rate environment, as the total average cost of deposits increased only two basis points to 0.12%, and on average 46% of our deposits were in noninterest-bearing demand deposits, as compared to 44% a year ago.

While we're focused on creating processes that are simple, easy and fast, we also want them to be safe. We've made excellent progress in fundamentally strengthening our risk management framework, credit processes and portfolio profile in recent years. Our credit outcomes were strong in 2017, with net charged-off loans totaling a modest 0.17% of average loans. Classified loans – those with significant deterioration and with the risk of future loss – decreased 28% during the year.

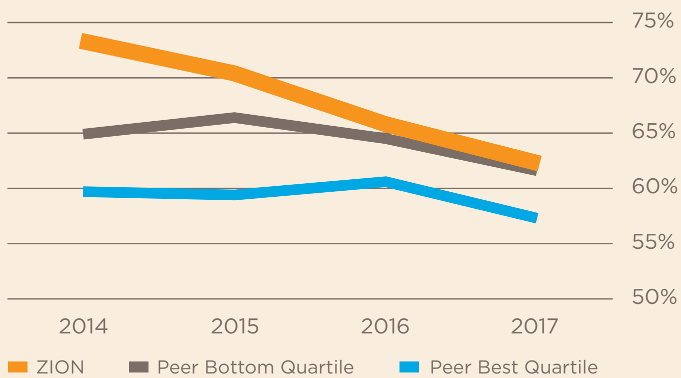
ADJUSTED PRE-PROVISION NET REVENUE GROWTH

Indexed: FY14=100



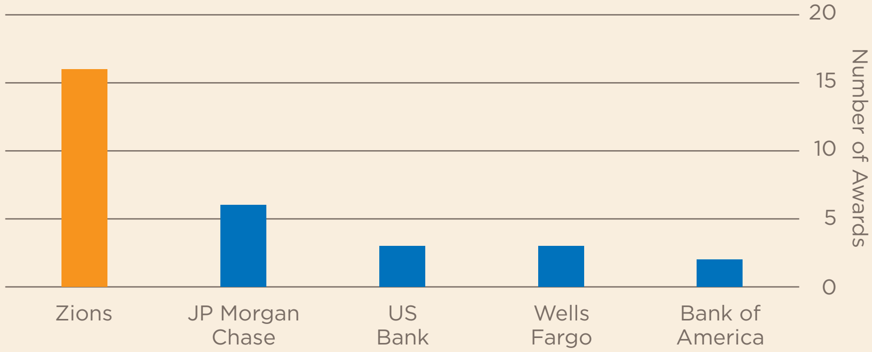
EFFICIENCY RATIO

Adjusted noninterest expense as a percent of adjusted total revenue



GREENWICH EXCELLENCE AWARDS: 2009-2017 (YEARLY AVERAGE)

Zions has outranked several of the nation's largest banking companies



Source: Greenwich Associates, February 2018. Awards include recognition of excellence in a variety of banking product and service categories

GREENWICH ASSOCIATES Greenwich Excellence 2017

"Only three other banks have consistently received as many Greenwich Excellence Awards as Zions since 2009."

Scott McLean, Zions Bancorporation President and COO

We continued our focus on increasing returns of capital, as well as returns on capital in 2017. We increased our quarterly dividend from $0.08 in each of the first two quarters to $0.12 in the third quarter, and to $0.16 in the fourth quarter, with further increases planned for 2018. We also repurchased 7.0 million common shares, at an average price of $45.66 per share, for a total of $320 million during 2017; and we redeemed our $144 million of 7.90% Series F preferred stock, further boosting our return on common equity.

Even with a much greater distribution of earnings to our shareholders, our capital remains very strong. Our Common Equity Tier 1 ratio, which measures common equity as a percentage of risk-weighted assets, is in the top decile of our peer group of 19 regional banks, and 14% greater than the median for that group. Our objective is to maintain strong capital, but not excessively so. Assuming the economy remains healthy over the next few years, we expect to continue to provide strong distributions of capital to our owners.

Tax Reform

As noted previously, the 2017 Tax Cuts and Jobs Act was enacted in December, and the initial impact to our results included a revaluation of a deferred tax asset primarily related to our allowance for loan and lease losses. U.S. law allows for the deduction of loan losses for tax purposes only when the loss is finally realized, and does not allow a deduction for the establishment of reserves for future losses. This creates a "permanent timing difference" between banks' tax books and their financial statements, and gives rise to a deferred tax asset representing expected future tax deductions from loan losses, based upon the expected tax rate at which those losses will be deductible. With a lower tax rate in future periods, the "benefits" from future losses, in the form of tax deductions, will be less; thus a $47 million reduction in the value of this asset was recorded in the fourth quarter.

With the prospect of lower tax benefits from charitable contributions in 2018 and beyond, we effectively accelerated some of these future expenses through a $12 million donation to the Zions Bancorporation Foundation, which will fund some of these donations in future periods.

These actions highlight a fundamentally important feature of the tax reform legislation, and one which hasn't received the attention it merits: *a dollar of expense incurred in 2018 and beyond is 22% more expensive than the same dollar* *of expense incurred prior to 2018*. That's because, when considering the federal corporate tax rate alone, the after-tax cost of spending a dollar has risen from $0.65 ($1 less a 35% federal tax deduction) to $0.79 ($1 less a 21% deduction) – a 22% increase. By the same token, a dollar of revenue is worth 22% more than was the case before.

For all the talk about who will, or won't, benefit from tax reform, we shouldn't lose sight of the fact that incentives for productivity have been increased by 22%. If productivity improvement is the primary driver of economic well-being for a society (and it is), the economy should receive a substantial boost as businesses of all types become more sharply focused on eliminating waste and increasing output.

Going forward, the direct benefits of tax reform on Zions Bancorporation's financial results should be substantial, at least in the near term, as our total effective tax rate decreases from approximately 35% to a range of 24%-25%, producing increased income that will allow for additional investment in our business and our people, and greater distributions to shareholders. Disappointingly, the new tax law eliminates the deductibility of FDIC insurance premiums for Zions and other banks with assets of more than $50 billion, effectively creating a new tax within the tax cut. This is yet another example of how lawmakers in recent years have taken a "divide and conquer" approach to taxing and regulating the industry, with additional regulations and taxes for larger banks, resulting in an artificial tiering of the industry.

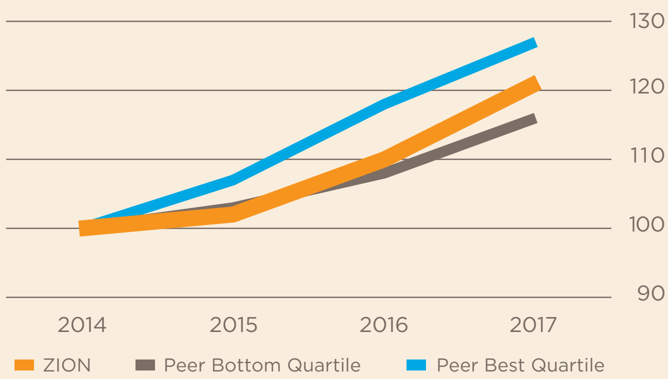
In time, the benefits of tax reform will be distributed between shareholders, customers and employees, as markets adjust and firms compete for financial and human resources, and clients. In our case, we awarded salary increases ranging from 1-5% to employees earning less than $50,000 per year, and we've committed to pay $1,000 bonuses in late 2018 to employees earning up to $100,000 who were on our payroll at the end of 2017. These actions are in addition to any regular salary increases or bonuses they will otherwise receive, and are an expression of our appreciation for the great work these colleagues perform.

Creating Value for Our Customers, Our Employees and Our Owners

In our Guiding Principles, we state that our goal is to create *value* - for customers, for employees, and for our shareholders. The banking industry is evolving rapidly, and technology is playing a central role in transforming the customer experience. We spend a great deal of time thinking about where we can effectively compete, where we should focus our efforts and our investments, and where

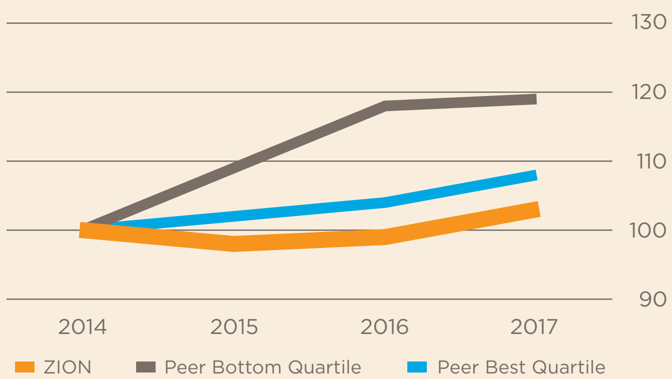
ADJUSTED REVENUE GROWTH

Indexed: 2014=100



ADJUSTED NONINTEREST EXPENSE GROWTH

Indexed: 2014=100



One of our greatest assets is, in fact, a great many small liabilities in the form of these deposit accounts.

we can create sustainable value propositions that will fuel profitable growth.

While we serve many types of customers, and have some very profitable niche businesses, our "sweet spot" is in serving the needs of local businesses throughout the western United States. From available data reported by all banks to their regulators, Zions Bancorporation has among the very highest proportions of small business loans to total commercial loans of any of our regional banking peers, and we compare very favorably *in the aggregate* to the nation's largest banks. Approximately three quarters of our total loans are commercial in nature. And approximately 70% of our total loan commitments are to businesses with $20 million or less in annual revenues. More strikingly, almost 45% of our total commercial loan commitments are to customers with total annual revenues of $1 million or less.

The profile of our deposit base closely mirrors that of our borrowing customers, with smaller businesses providing a substantial portion of our total deposit funding. Many of these accounts are small noninterest-bearing checking accounts, and often the balances in these accounts are used to compensate for services provided. These accounts are very stable and, when combined with our substantial investment portfolio, contribute to our very strong liquidity position. One of our greatest assets is, in fact, a great many small liabilities in the form of these deposit accounts.

We're passionate about this "Main Street" approach to banking. Our focus on smaller and mid-sized businesses is very profitable; but as importantly, it allows us to create a great deal of value for our customers, for whom we are the primary source of external capital, in many cases, as well as payments and other banking services. The financial partnership we have with these clients is also a great source of satisfaction to many of our bankers, who know they're playing a vital role in helping entrepreneurs build great businesses, create jobs and strengthen their local economies. And some of these smaller businesses grow to become very large ones.

I was recently reminiscing with the owner of one of the largest and most successful businesses in the Intermountain West, and one of our largest customers. We talked about our long, shared history, and the fact that we'd provided the company's first bank financing in the form of a $165,000 loan 56 years ago (the equivalent of about $1.3 million today). We were there at the outset, helping get a business off the ground that today provides solid jobs for thousands of employees. It's stories like this that remind me of the critically important role our bankers play in the economy and in people's lives.

We have a constellation of businesses that surround and support our focus on these smaller to mid-sized commercial clients. For example, we have a superb residential mortgage operation, with a special focus on serving the owners of our many business customers. Forty percent of the $2.6 billion in mortgages we originated in 2017 was made to self-employed borrowers. These loans, which are generally adjustable rate jumbo mortgages, are more challenging to underwrite, particularly in light of the many new regulatory requirements established in the wake of the financial crisis. But the result is a high-quality, low loan-to-value mortgage that we most often hold in our portfolio. We're also making great strides in serving the financial planning and wealth management needs of our business owners and other customers, with trust and wealth management income increasing 12% from the prior year to $42 million in 2017.

In rural areas, we serve many farmers and ranchers. We're the nation's largest originator of loans guaranteed by the Federal Agricultural Mortgage Corporation, or "Farmer

Mac," and the servicer of approximately $1.6 billion in loans for that agency.

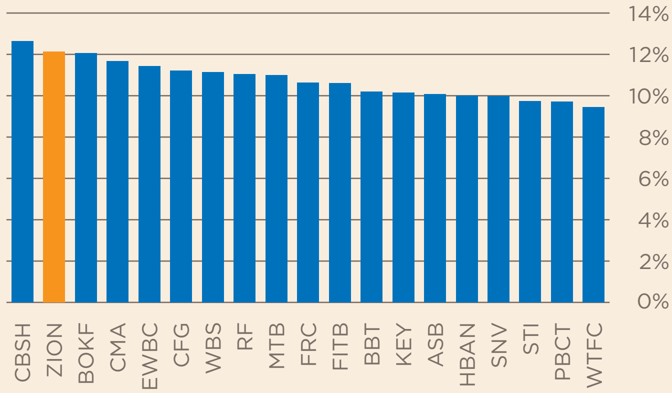
We also serve the banking needs of local municipalities across the West, and increasingly across the nation. We focus on providing banking services to smaller municipalities that have many of the same characteristics of our small business customers. Our ability to provide responsive service, delivered by specialists who understand the needs and challenges of local governments, makes all the difference. In 2017, we completed more than 200 transactions and booked nearly $800 million of loans and leases for our municipal clients.

Our focus on providing simple, easy and fast service to our customers doesn't go unnoticed. The industry's leading market research firm for client service provided to small and middle market businesses, Greenwich Associates, recognized Zions Bancorporation with 16 "excellence" awards in a variety of categories for 2017, ranking us as recipient of one of the highest numbers of such awards across the U.S. We were also recognized as Best Bank in Orange County by readers of the *San Diego Union-Tribune*, Best Bank in Orange County (California) by the *Orange County Register*, Best Bank in Reno by *Reno Magazine*, and Best Bank in the *Las Vegas Review-Journal's* reader poll, among others.

Our real competitive advantage in serving hundreds of thousands of small businesses and their owners is our local bankers, and the relationships they form with customers whose needs frequently require interactions with a trusted advisor. Our experience is that most business customers (and very many consumers, for that matter) desire a personal relationship with a banker they can turn to when they have a question or a problem.

While personal relationships are centrally important to our business model, we recognize that technology is becoming ever more important to how customers of all types transact their banking business. As digital technologies,

COMMON EQUITY TIER 1 RATIO (CET1)



artificial intelligence, machine learning, robotics and other technologies continue to transform our industry and many others, we know that we can't out-invest our largest competitors. But we also expect that most of these technologies will be available from vendors to the banking industry, as has been the case in the past. Taking advantage of these innovations will require that banks develop a strong data architecture and a modern technology foundation in the form of core banking systems that can easily integrate with digital offerings from a variety of vendors. In short, banks will increasingly need to become something akin to digital shopping malls, where digital applications and tools are curated and seamlessly provided to customers, with banks controlling the look and feel of the customer experience.

To this end, we're engaged in a multiyear effort to replace our core banking systems with a platform we believe will be as modern as any in America. The project, which we call "FutureCore," will provide us with an integrated suite of software from one of the world's leading technology vendors, TCS. In May 2017 we successfully installed the first of three modules, a consumer lending system. We expect to install the second module, which will replace our commercial

Our Business Banking Loan Center has reduced the time it takes to complete unsecured small business loans of up to $50,000 to just four hours or less. Previously, such loans took anywhere from nine business days to a month to complete.

and real estate lending platforms, in early 2019. The final leg of this journey will be the replacement of aging systems that support our deposit-taking activities. This is a monumental effort, but one we expect will pay great dividends in our ability to be very nimble in a digital era.

We've consolidated many branches in recent years, including five branches closed during 2017 and another five that were relocated or downsized to improve our overall branch economics. We also opened two new branches in New Braunfels, Texas and Springville, Utah, and a new Loan Production Office in Ft. Worth. In early 2017, Amegy Bank of Texas moved into its new headquarters building in a highly visible location in Houston's Galleria neighborhood – a move that reduced our occupancy costs relative to alternative options available to us. In all, our aggregate branch count is down roughly 20% from our peak. But we continue to view branches as critically important service centers for customer engagement, and as revenue opportunities, as opposed to necessary but inconvenient sources of cost.

We're accordingly working hard on improving customers' experiences in our branches and through other delivery channels. We've been particularly focused on simplifying our deposit product set, and on shortening the time it takes to approve and fund small business loans. Over the past year we've reduced the number of deposit products we offer by approximately 75%, making it easier for clients to select the appropriate product and reducing administrative costs.

And our Business Banking Loan Center, which opened last April and supports our branch-based bankers, has reduced the time it takes to complete "Business Access Loans," which are unsecured small business loans of $50,000 or less, including SBA Express loans - from the receipt of a simplified application to the time funds are deposited into the borrower's account - to four hours or less. Previously, such loans took anywhere from nine business days to a month to complete. Such responsiveness has also resulted in a significant improvement in what we call "pull-through" rates, as we now close and fund 92% of such approved small business loans.

In recent years we've made similar strides with consumer loans and credit cards processed in our Direct Consumer Loan Center. We've become highly competitive with any of the online "marketplace" lenders with respect to turnaround times, and we're almost always a great deal less expensive. And when borrowers run into problems and need to counsel with someone who can help them work through a challenge, they, too, discover that people really do mean everything.

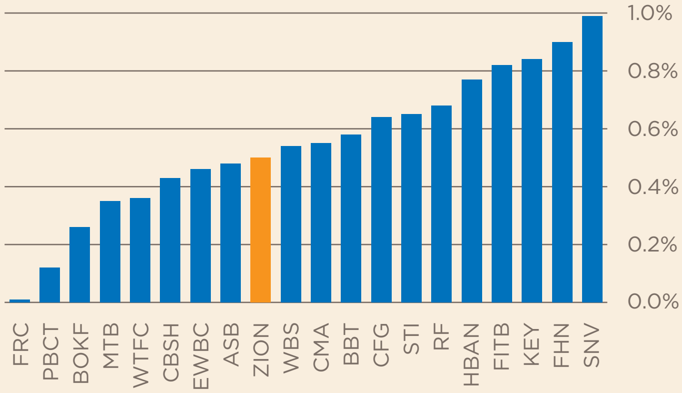
We're making great efforts to streamline and simplify processes in order to produce better outcomes and to serve customers' needs more expeditiously. We continuously track a "top 40" list of simplification initiatives, each of which is sponsored by a member of our executive management committee. A representative sample of these projects includes such matters as new employee on-boarding, enhanced use of digital signatures for clients, improving the process for determining whether a loan is in a flood zone and standardizing our models for analyzing borrower cash flow. Continuous improvement is becoming an important part of our DNA.

Simplifying Our Regulatory Framework

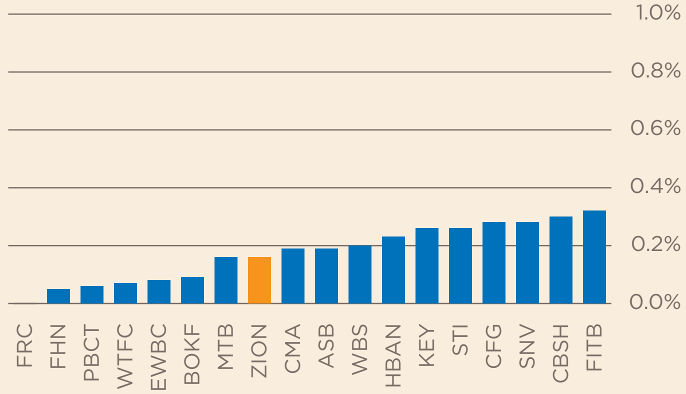
Our determination to streamline and simplify extends to our regulatory framework. For many years, Zions Bancorporation operated as a multi-bank holding company with separately chartered banks in each of our major

28 YEARS OF CREDIT QUALITY

Average annual NCOs as a percentage of average loans 1990-2017



NET CHARGE-OFFS / AVERAGE LOANS 2017



western markets. That structure brought with it regulation of the parent bank holding company by the Federal Reserve, and regulation of each of the subsidiary banks by either the Office of the Comptroller of the Currency (OCC) or the Federal Deposit Insurance Corporation (FDIC). The passage of the Dodd-Frank Act in 2010 increased the Federal Reserve's responsibilities and introduced new requirements for overseeing larger bank holding companies, and resulted in a great deal of duplication of effort between the Federal Reserve, the OCC and the FDIC. With the consolidation of our banks under a single national bank charter in late 2015, our need for a bank holding company was greatly diminished, particularly given the fact that virtually all of our operating activities now take place under the umbrella of the national bank charter, known as ZB, N.A., with the business conducted under local brand names in each market.

In November, we announced our intent to simplify our business and our regulatory structure by merging our parent company, Zions Bancorporation, into our bank (ZB, N.A.) and seeking a determination from the Financial Stability Oversight Counsel (FSOC) that Zions is not a "systemically important financial institution" (SIFI) under the Dodd-Frank Act. If approved by various parties, including our shareholders, the OCC and the FSOC, the completion of this consolidation is likely to occur in the second half of 2018. The name of the resulting company is expected to be Zions Bancorporation, N.A. (a legally-required acronym for "National Association"), and we would become a publicly traded national bank, as opposed to a publicly traded bank holding company. We intend to continue to conduct our business through the local brand names and management teams with which our customers are familiar.

If we complete this merger, the details of which will be further set forth in proxy materials that will be available to our shareholders, and are successful in our appeal to the FSOC with respect to our SIFI status, we expect to create efficiencies through streamlining our regulatory framework and eliminating duplicative examinations and other overlapping regulatory requirements while still preserving strong regulatory oversight by the OCC.

Doing the Right Thing for Customers

Over the course of the past year, a great deal of media, political and regulatory attention was directed at the inappropriate sales practices of one of our major competitors, Wells Fargo, whose employees were found to have opened as many as 3.5 million "potentially

We have some truly extraordinary people at Zions Bancorporation. The people I work with are smart, they're fun to be around, and they're focused on excellence.

unauthorized" deposit and credit card accounts. The ensuing reputational damage to an otherwise great institution is a stark reminder of the importance of keeping customers' trust and confidence front and center in everything we do. As a wise banking professor, Charlie Williams, told me years ago, "a bank's customers are like birds on a telephone line – when one flies, they all fly." That's increasingly easy for customers to do in our interconnected digital world. The sales practices scandal is also a reminder that creating a culture that places a premium on doing the right thing for clients may be the most important risk management tool of all. We've reviewed our own sales practices and incentive programs, and confirmed what we intuitively knew to be true: neither our culture, our management style nor our incentives produce the kind of internal pressure that led to such systemic misdeeds.

One of the notable findings of Wells Fargo's internal board-led investigation in the wake of the sales scandal was a determination that certain senior leaders in the organization "were insular and defensive and did not like to be challenged or hear negative information." Similar remarks have been made about the culture at General Electric, a company that was the envy of the corporate world for many years, but which has more recently faltered.

We've tried very hard at Zions Bancorporation to communicate very openly with our work colleagues, and to ensure that our communication is a two-way affair. Each quarter, our chief human resource officer, chief risk officer, chief financial officer, chief operating officer and I hold a company-wide call to which all our employees are invited, to communicate results and priorities, and to field questions of every type from our people in every corner of the company. We also periodically survey all of our employees to determine how they feel about our culture, our values, our management style, and to gauge where we can improve.

Additionally, over the past two years our President and COO, Scott McLean, and I have held numerous town hall meetings and smaller "listening sessions" in which we ask front-line employees to help us understand what we're doing that frustrates them or stifles their ability to effectively serve customers, and what we can do to improve. Many of the simplification ideas we're pursuing have come from these sessions. It's been a great, if not always pleasant, experience. We get our share of positive feedback; but the real value is in hearing the "bad news," as we know that the only way we can continually improve is by listening to our people on the front lines. We're becoming much better because of it.

Our People and Our Future

I've never been as excited about Zions Bancorporation's future as I am at present. We have one of the strongest balance sheets in the industry, with a dramatically improved credit risk profile relative to that of years past. I'm personally confident that we'll find ourselves in the industry's top quartile, as measured by net credit losses, as we move through the next economic cycle. We're making foundational investments in our technology and data infrastructure that should make a substantial difference in the quality of our customer service, the products we can offer, and our operating costs for the next two decades or more. The U.S. economy is at virtually full employment; and interest rates are low enough to continue to be a catalyst for growth, though rising at a measured pace, which we expect to be beneficial to our net interest margin. Our regional economies are likewise strong, with oil prices at higher levels in recent months and continued strong population and jobs growth throughout the West. Our business model, which places a premium on the integration of each of our lines of business under local management teams in each market, *I've never been as excited about Zions Bancorporation's future as I am at present.*

empowers our bankers to distinctively serve our customers, and especially smaller and mid-sized businesses, their owners and other premium clients.

We have truly extraordinary people, and they really do mean everything to our success. That includes our board of directors. Over the past several years, the board has undergone a great deal of change. We've seen some truly outstanding directors retire, including, during 2017, Patricia Frobes. Pat's deep expertise in commercial real estate law was invaluable during her 14 years on our board - including the past two and a half years during which she served as our lead director. We've also added some outstanding new board members, including Barbara Yastine this past year. Barbara's leadership experience in the financial services industry, including as CEO of a major bank, has created immediate value for us. I believe we have as much depth and strength on our board as you'll find in any bank in America.

As strong as our board is, our bankers are every bit their match. That includes an extraordinary group of women in senior leadership positions, who were once again recognized by American Banker as being among the top five teams of women in the banking industry.

I developed a deeper appreciation for the quality of our people in late August, after Hurricane Harvey – the wettest storm in U.S. history – hit the Gulf Coast of Texas, dropping more than 40 inches of rain on Houston over a four-day period and causing extensive and unprecedented flooding. In the days after the storm I visited with hundreds of our colleagues, many of whom lost automobiles or experienced extensive damage to their homes. As a company, we did our best to help, providing immediate short-term financial grants and longer-term interest-free loans to employees in need. What was most striking to me was the incredible spirit of our people, both in Texas and across the company.

Our Texas colleagues were focused on helping each other, providing childcare, mucking out homes, delivering supplies and much more. At the same time, these great people – some of them operating from the temporary shelter of a hotel room after being evacuated from their own homes – were laser-focused on contacting their customers to determine the extent of their damage and determining how we could help. Colleagues in other parts of our organization worked overtime to field customer calls diverted from our Houston contact center, and providing support in many other ways, including personal financial donations to their fellow employees. Being there, on the ground, among so many extraordinary colleagues, is an experience I'll never forget.

These are the kind of people who are the heart and soul of Zions Bancorporation. They're pure gold, and as good and gracious and smart and talented and energetic as any in our industry. I'm exceptionally proud to be associated with them. We have a great team, and our future is very bright.

Respectfully,

Harris H. Simmons
Chairman and CEO
February 23, 2018

FINANCIAL HIGHLIGHTS

(Dollar amounts in millions, except per share amounts)	2017/2016 Change	2017	2016	2015	2014
FOR THE YEAR					
Net interest income	+11%	$ 2,065	$ 1,867	$ 1,715	$ 1,680
Noninterest income	+5%	544	516	357	493
Total revenue	+9%	2,609	2,383	2,072	2,173
Provision for loan losses	-74%	24	93	40	(98)
Noninterest expense	+4%	1,649	1,585	1,581	1,649
Impairment loss on goodwill	—%	—	—	—	—
Income before income taxes	+33%	936	705	451	621
Income taxes	+46%	344	236	142	223
Net income	+26%	592	469	309	398
Net loss applicable to noncontrolling interests	—%	—	—	—	—
Net income applicable to controlling interest	+26%	592	469	309	398
Net earnings applicable to common shareholders	+34%	550	411	247	327
PER COMMON SHARE					
Net earnings – diluted	+30%	2.60	1.99	1.20	1.68
Net earnings – basic	+35%	2.71	2.00	1.20	1.68
Dividends declared	+57%	0.44	0.28	0.22	0.16
Book value	+6%	36.01	34.10	32.67	31.35
Market price – end		50.83	43.04	27.30	28.51
Market price – high		52.20	44.15	33.42	33.33
Market price – low		38.43	19.65	23.72	25.02
AT YEAR-END					
Assets	+5%	66,288	63,239	59,665	57,203
Net loans and leases	+5%	44,780	42,649	40,650	40,064
Deposits	-1%	52,621	53,236	50,374	47,848
Long-term debt	-28%	383	535	812	1,086
Shareholders' equity:					
Preferred equity	-20%	566	710	829	1,004
Common equity	+3%	7,113	6,925	6,679	6,366
Noncontrolling interests	—%	—	—	—	—
PERFORMANCE RATIOS					
Return on average assets		0.91%	0.78%	0.53%	0.71%
Return on average common equity		7.69%	5.95%	3.75%	5.42%
Tangible return on average tangible common equity		9.04%	7.07%	4.55%	6.70%
Net interest margin		3.45%	3.37%	3.19%	3.26%
CAPITAL RATIOS					
Equity to assets		11.6%	12.1%	12.6%	12.9%
Common equity tier 1 (Basel III), tier 1 common (Basel I)		12.1%	12.1%	12.2%	11.9%
Tier 1 leverage		10.5%	11.1%	11.3%	11.8%
Tier 1 risk-based capital		13.2%	13.5%	14.1%	14.5%
Total risk-based capital		14.8%	15.2%	16.1%	16.3%
Tangible common equity		9.3%	9.5%	9.6%	9.5%
Tangible equity		10.2%	10.6%	11.0%	11.3%
SELECTED INFORMATION					
Average common and common-equivalent shares (in thousands)		209,653	204,269	203,698	192,789
Company common shares repurchased - from publicly announced plans (in thousands)		7,009	2,889	—	—
Common dividend payout ratio		16.05%	14.04%	18.30%	9.56%
Full-time equivalent employees		10,083	10,057	10,200	10,462
Commercial banking offices		431	436	450	460

GAAP TO NON-GAAP RECONCILIATION

	(Dollar amounts in millions, except per share amounts)	2017	2016	2015	2014
	PRE-PROVISION NET REVENUE (PPNR)				
(a)	**Total noninterest expense**	$ 1,649	$ 1,585	$ 1,581	$ 1,649
	LESS adjustments:				
	Severance costs	7	5	11	9
	Other real estate expense	(1)	(2)	(1)	(1)
	Provision for unfunded lending commitments	(7)	(10)	(6)	(9)
	Debt extinguishment cost	—	0	3	44
	Amortization of core deposit and other intangibles	6	8	9	11
	Restructuring costs	4	5	4	—
(b)	*Total adjustments*	*9*	*6*	*20*	*54*
	—	—	—	—	
(a-b)=(c)	**Adjusted noninterest expense**	**1,640**	**1,579**	**1,561**	**1,595**
		—	—	—	—
(d)	Net interest income	2,065	1,867	1,715	1,680
(e)	Fully taxable-equivalent adjustments	35	25	18	16
(d+e)=(f)	Taxable-equivalent net interest income (TENII)	2,100	1,892	1,733	1,696
(g)	Noninterest Income	544	516	357	493
(f+g)=(h)	**Combined Income**	**2,644**	**2,408**	**2,090**	**2,189**
	LESS adjustments:				
	Fair value and nonhedge derivative income (loss)	(2)	2	(0)	(11)
	Impairment losses on investment securities, net				
	Equity securities gains (losses), net	14	7	(127)	24
	Fixed income securities gains (losses), net	—	—	—	—
(i)	*Total adjustments*	*12*	*9*	*(127)*	*13*
(h-i)=(j)	**Adjusted revenue**	**2,632**	**2,399**	**2,217**	**2,176**
(j-c)	**Adjusted pre-provision net revenue (PPNR)**	992	820	656	581
	NET EARNINGS APPLICABLE TO COMMON SHAREHOLDERS (NEAC)				
(k)	Net earnings applicable to common	550	411	247	327
(l)	Diluted Shares (in thousands)	209,653	204,269	203,698	192,789
	GAAP EPS	2.60	1.99	1.20	1.68
	PLUS Adjustments:				
	Adjustments to noninterest expense	9	6	20	54
	Adjustments to revenue	(12)	(9)	127	(13)
	Tax effect for adjustments (38%)	1	1	(56)	(16)
	Preferred stock redemption	2	10	—	—
(m)	*Total adjustments*	*0*	*8*	*91*	*26*
(k+m)=(n)	**Adjusted net earnings applicable to common (NEAC)**	**550**	**419**	**338**	**352**
(n)/(l)	Adjusted EPS	2.60	2.05	1.66	1.83
(o)	Average assets	65,116	60,050	58,045	55,882
(p)	Average tangible common equity	6,129	5,888	5,546	4,979
	PROFITABILITY				
(n)/(o)	Adjusted Return on Assets	0.84%	0.70%	0.58%	0.63%
(n)/(p)	Adjusted Return on Tangible Common Equity	8.97%	7.12%	6.09%	7.07%
(c)/(j)	Efficiency Ratio	62.3%	65.8%	70.4%	73.3%

ZIONS BANCORPORATION

The complete list of officers and directors for Zions Bancorporation and its subsidiaries is available at zionsbancorporation.com.

BOARD OF DIRECTORS

Jerry C. Atkin
Chairman
Skywest Airlines
St. George, Utah

Gary L. Crittenden
Private Investor
Salt Lake City, Utah

Suren K. Gupta
Executive Vice President of
Technology and Strategic Ventures
Allstate Insurance Company
Chicago, Illinois

J. David Heaney
Chairman
Heaney Rosenthal, Inc.
Houston, Texas

Vivian S. Lee
Tenured Professor of Radiology
University of Utah
Salt Lake City, Utah

Edward F. Murphy
Retired/Former CFO
Federal Reserve Bank of New York
East Williston, New York

Roger B. Porter
IBM Professor of Business
and Government
Harvard University
Cambridge, Massachusetts

Stephen D. Quinn
Lead Director
Retired/Former Managing Director
and General Partner
Goldman, Sachs & Co.
Naples, Florida

Harris H. Simmons
Chairman and
Chief Executive Officer
Salt Lake City, Utah

Barbara A. Yastine
Former Chair, President and
Chief Executive Officer
Ally Bank
New York, New York

CORPORATE OFFICERS

Harris H. Simmons
Chairman and Chief Executive Officer

Scott J. McLean
President and Chief Operating Officer

Executive Vice Presidents

Bruce K. Alexander
CEO, Vectra Bank Colorado

A. Scott Anderson
CEO, Zions Bank

David E. Blackford
CEO, California Bank & Trust

Paul E. Burdiss
Chief Financial Officer

Dianne R. James
Chief Human Resources Officer

Thomas E. Laursen
General Counsel

LeeAnne B. Linderman
Retail Banking

Keith D. Maio
Chief Banking Officer

Michael Morris
Chief Credit Officer

Joseph L. Reilly
Chief Technology Strategist

Rebecca K. Robinson
Wealth Management

Stanley D. Savage
CEO, The Commerce Bank
of Washington

Edward P. Schreiber
Chief Risk Officer

Terry A. Shirey
CEO, Nevada State Bank

Jennifer A. Smith
Chief Information Officer

Steven D. Stephens
CEO, Amegy Bank

Mark Young
CEO, National Bank of Arizona

Senior Vice Presidents

James R. Abbott
Investor Relations

Thomas Yu
Strategic Planning

Travis E. Finstad
Internal Audit

Jacob C. Heugly
Fee Income Strategies

Alexander J. Hume
Controller

Jennifer R. Johnston
Special Projects

Alvin Lee
Corporate Development

Michael W. MacDonald
Syndications

Marylyn Manis-Hassanein
Enterprise Initiatives

Zachary S. Price
Finance Operations & Systems

Dale L. Stephens
Credit Examination

J. Brandon Thomas
Chief Data Officer

Matthew L. Tyler
Treasurer

Vice President

Melvin D. Leibsla
Internal Audit,
Information Technology

Zions' Peer Group

Ticker Symbol	*Company Name*
ASB	Associated Banc Corp.
BBT	BB&T Corp.
BOKF	BOK Financial Corp.
CBSH	Commerce Bancshares
CFG	Citizens Financial Group
CMA	Comerica Incorporated
EWBC	East West Bancorp
FHN	First Horizon National Corp.
FITB	Fifth Third Bancorp
FRC	First Republic Bank
HBAN	Huntington Bancshares
KEY	KeyCorp
MTB	M&T Bank Corp.
PBCT	People's United Financial, Inc.
RF	Regions Financial Corp.
SNV	Synovus Financial Corp.
STI	SunTrust Banks, Inc.
WBS	Webster Financial Corp.
WTFC	Wintrust Financial Corp.

CORPORATE INFORMATION

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One South Main Street
Salt Lake City, Utah 84133-1109
801-844-7637

ANNUAL SHAREHOLDERS' MEETING
Friday, June 1, 2018, 1 p.m. MDT
Zions Bancorporation Executive Offices
Founders Room, 18th Floor

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

AUDITORS
Ernst & Young LLP
15 W. S. Temple
Suite 1800
Salt Lake City, Utah 84101

NASDAQ GLOBAL SELECT MARKET SYMBOL
ZION

OTHER LISTED SECURITIES
Series A Preferred Stock – NYSE: ZBPRA
Series G Preferred Stock – NYSE: ZBPRG
Series H Preferred Stock – NYSE: ZBPRH
Series I Preferred Stock – CUSIP: 989701BD8
Series J Preferred Stock – CUSIP: 989701BF3
Warrants to Purchase Common Stock –
NASDAQ: ZIONW & ZIONZ

DIVIDEND REINVESTMENT PLAN
Shareholders can reinvest their cash dividends in additional shares of our common stock at the market price on the dividend payment date. Shareholders, as well as brokers and custodians who hold our common stock for clients, can obtain a prospectus of the plan on the Zions Bancorporation website at zionsbancorporation.com or 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 website at 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:

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ZIONS BANCORPORATION NEWS RELEASES
Our news releases are available on our website at: zionsbancorporation.com.
To be added to the email distribution list, please visit zionsbancorporation.com and click on "Email Notification."

INTERNET SITES
Zions Bancorporation
zionsbancorporation.com

Zions Bank
zionsbank.com

Amegy Bank
amegybank.com

California Bank & Trust
calbanktrust.com

National Bank of Arizona
nbarizona.com

Nevada State Bank
nsbank.com

Vectra Bank Colorado
vectrabank.com

The Commerce Bank of Washington
tcbwa.com

The Commerce Bank of Oregon
tcboregon.com

Zions Direct Inc.
zionsdirect.com

This document may contain statements that could be considered "forward looking." Readers should review the forward-looking statement disclaimer of Zions' Annual Report on Form 10-K, which can be found on the website at zionsbancorporation.com and applies equally to this document.

Certain financial measures containing descriptive words such as "core" or "adjusted" are subject to GAAP-to-Non-GAAP reconciliation tables, which can be found on page 19.

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ZIONS BANCORPORATION

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