ZIONS BANCORPORATION, N.A.

2018 YEAR IN REVIEW

BANKING FOR TOMORROW

INVESTING IN PEOPLE

SIMPLIFYING PROCESSES

ADVANCING TECHNOLOGY

FOCUSING ON CUSTOMERS

A COLLECTION OF GREAT BANKS

ZIONS BANK

Zions Bank
Utah | Idaho | Wyoming
$16 billion deposits

AmegyBank of Texas

Amegy Bank of Texas
Texas
$12 billion deposits

CB California Bank Trust

California Bank & Trust
California
$11 billion deposits

NB|AZ

National Bank of Arizona
Arizona
$5 billion deposits

Nevada State Bank

Nevada State Bank
Nevada
$4 billion deposits

VectraBank Colorado

Vectra Bank Colorado
Colorado | New Mexico
$3 billion deposits

The Commerce Bank

The Commerce Bank of Washington
Washington
The Commerce Bank of Oregon
Oregon
$1 billion deposits

"We're building one of the strongest banks in the nation — one with a very durable foundation. One of the more important steps we took during the year to simplify our business was to merge our parent company, Zions Bancorporation, into its subsidiary bank, ZB, N.A. The resulting bank, which continues to operate under eight terrific local brand names and with a very community-oriented approach to doing business throughout the western United States, was renamed Zions Bancorporation, N.A. (National Association)."

Harris H. Simmons, Chairman and CEO

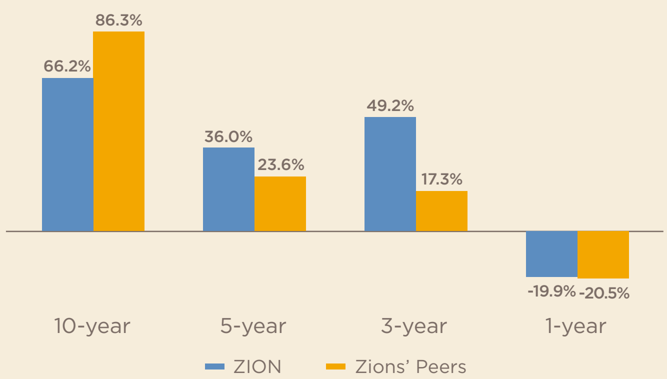
To Our Shareholders

A letter from Harris H. Simmons, Chairman and CEO

I'm extremely proud of what my colleagues at Zions Bancorporation accomplished during the past year. Our team achieved record income, both pre-tax and after-tax, through prudent loan and deposit growth, a focus on careful cost control and simplifying and streamlining the way we do business to produce better results with less risk. Our credit results were outstanding, and we continued to focus on building a strong long-term technology foundation while also delivering leading-edge digital solutions to customers that will ensure we remain competitive in the years ahead. We also continued to refine and strengthen our focus on customer segments where we believe we can uniquely add value, benefiting clients and shareholders alike.

Although Zions Bancorporation's operating performance was solid, 2018 was the worst year for equities since 2008, with the S&P 500 down 6% for the year, and the financial sector down almost 15%. The Keefe, Bruyette & Woods Regional Bank Index was down 19.4% for the year, and Zions Bancorporation was down 19.9%. The fourth quarter was especially bad — the worst December for bank stocks since the Second World War.

STOCK PRICE PERFORMANCE HISTORY



Source for Peer financial data throughout this report: S&P Global Market Intelligence; Peer group corresponds with peer group defined in the Bank's proxy statement and found on page 16 of this report.

Happily, with improved market sentiment during the first six weeks of the new year (as of this writing) most of the damage has been reversed. It's nevertheless a reminder that in the short run, at least, markets reflect the impulses of a crowd that often reacts at least as much to what it sees other members of the crowd doing as it does to economic fundamentals. With the length of the current economic expansion nearing a post-World War II record, the uncertain future of tariffs and trade negotiations, concerns about increasing interest rates and record federal fiscal deficits, equity markets last year behaved with the kind of anxiety you might see in a cat with its tail under a rocking chair. However, we are feeling quite confident that our performance in the coming year will continue to build on our strong 2018 results.

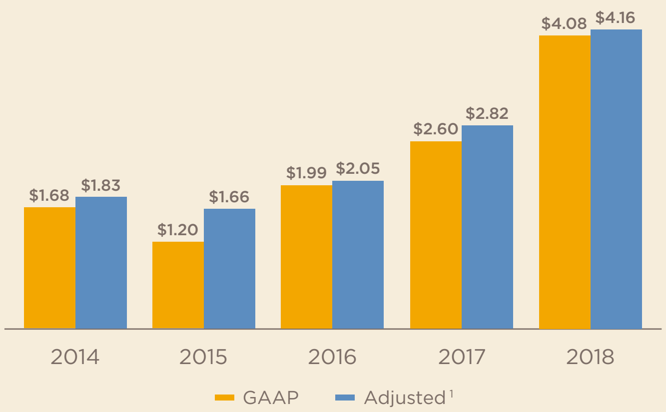
As we think about what lies ahead, we are preparing Zions Bancorporation for a future in which technology plays an increasingly critical role; a future in which the quality of our people, and especially our front-line bankers, will be a differentiating competitive advantage; and a future in which the economy will likely be less tranquil than in recent years.

Financial Results

Net earnings applicable to common shareholders increased $300 million, or 55%, to $850 million, and earnings per share increased 57% to $4.08. The strong improvement in earnings was due in part to the reduction in the corporate tax rate from 35% to 21% resulting from the Tax Cuts and Jobs Act of 2017, but pre-tax income growth was also very strong, increasing 22% to $1,143 million.

In mid-2015, we announced a series of initiatives designed to improve our performance, and it's satisfying to be able to say that we achieved each of the objectives we established three-and-a-half years ago. Over the past three years our taxable-equivalent revenues have grown at a compounded rate of 10.3% while operating expenses have increased at a compounded rate of 2.0%, with the result that taxable equivalent pre-tax net revenue — what we think of as our operating income before credit costs — has grown at a compounded rate of 30.3%. Our efficiency ratio, a measure of operating cost per dollar of revenue, has improved from 70.7% in 2015 to 59.6% in 2018.

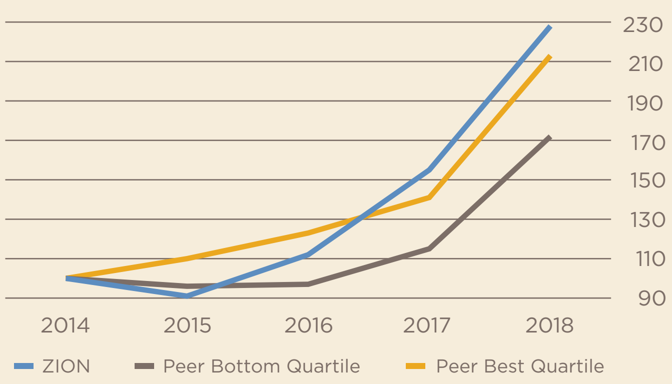
EARNINGS PER SHARE

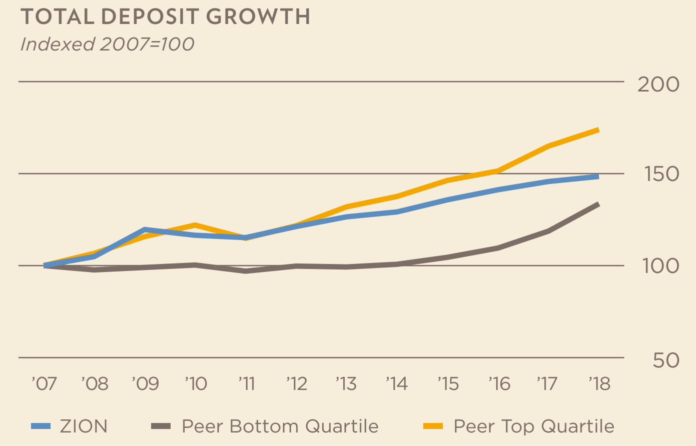


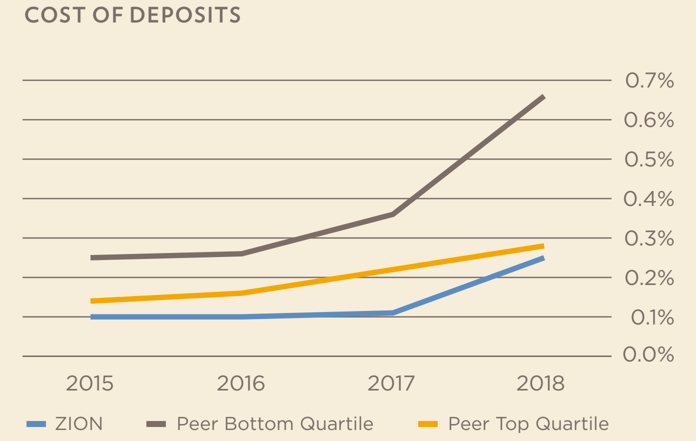
[1] Reconciliation between GAAP and Adjusted EPS is available on page 15 of this report

ADJUSTED[1] EARNINGS PER SHARE GROWTH

Indexed: 2014=100







Credit results in 2018 were exemplary. We experienced net loan charge-offs of -0.04% of average loans, with *recoveries* of previously charged-off loans exceeding gross charge-offs by $16 million, an achievement made even more notable by the fact that we experienced net recoveries in three of the year's four calendar quarters. Non-performing assets decreased by 39%, and classified loans decreased by 38%. The strong credit performance, which in part reflects the improved and generally stabilized price environment in the energy sector, led to a $57 million reduction in the provision for credit losses (the amount reflected in the income statement) and a reduction in the total allowance for credit losses (the reserve maintained on our balance sheet) to 1.18% of loans and leases at year-end 2018 compared to 1.29% the previous year.

Loans and deposits grew at a moderate rate in 2018, with average loans and leases increasing 4.4% to $45.4 billion and average total deposits increasing 1.9% to $53.2 billion. Loan growth was particularly strong in municipal loans and residential mortgages. We also experienced strong growth in our utility-scale alternative energy finance group. Commercial real estate loans remained flat during the year as we've tried to remain highly disciplined in a segment we believe is in the late stages of a strong economic cycle.

In recent years we've seen a great deal of competition from non-bank financing sources, offering structures that, by traditional standards, are often very aggressive. The Financial Stability Board recently reported that in 2017, its narrow measure of "non-bank financial intermediation" grew by 8.5%, with collective investment vehicles, such as hedge funds, which represent over two-thirds of that activity, growing by 9.1%.

It's worth pondering why commercial borrowers turn to non-bank sources of financing in the first place. Unless a borrower is directly accessing the capital markets and bypassing financial intermediaries altogether, banks should be the low-cost providers of financing, because traditional commercial banks are predominately funded with deposits — the great majority of which are insured by the FDIC and thus benefit from the "full faith and credit" of the U.S. Government. When borrowers turn to alternative funding sources, it's a good bet that they are doing so to find looser terms, not cheaper money.

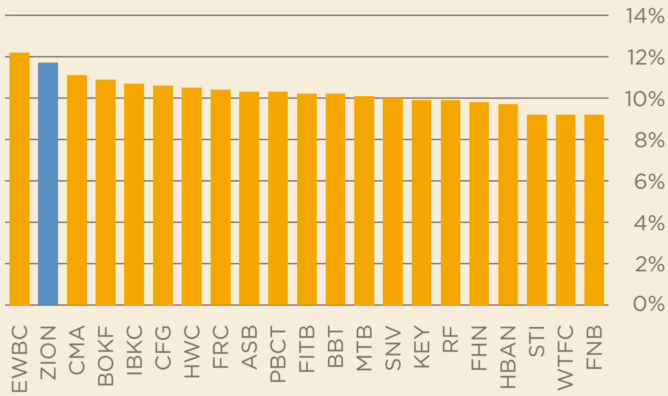
While the last recession was precipitated by excesses in housing finance, it seems likely that the next global financial challenge may well arise in the shadow banking arena, where risk seems to have migrated from the banking sector, and where many loan providers rely on short-term funding sources that may prove transient in a crisis.

In contrast to many of these non-bank entities, Zions Bancorporation's funding profile is one of our greatest strengths. The combination of deposits and tangible shareholders' equity provided the funding for 96% of our average earning assets in 2018, and our deposit base is considered by many to be one of the industry's best. Average noninterest-bearing demand deposits comprised 45% of total average deposits last year — one of the strongest ratios of demand deposits to total deposits among all larger banks. The volume of demand deposits remained remarkably stable in a year that saw four short-term interest rate increases by the Federal Reserve, following three increases the year before.

Our deposits are comprised disproportionately of the operating accounts for scores of thousands of small and mid-sized businesses, and these deposits have proven to be a very stable and valuable source of funds. Indeed, the company's net interest margin — the total taxable-equivalent interest income in excess of interest expense, as a percentage of average interest-earning assets — increased from 3.45% in 2017 to 3.61% in 2018, which, when combined with growth in earning assets, produced additional revenue of over $150 million. Almost two thirds of this increase was attributable to the stability of our noninterest-bearing demand deposit base, as the "spread" on average interest-bearing funds — the mathematical difference between average asset yields and the average cost of interest-bearing sources of funds — remained absolutely flat during the year with interest rates on both rising 35 basis points (hundredths of a percentage point).

With growing expectations that interest rates may remain relatively stable, and the possibility that they could even decline in the not-distant future, we have continued to alter our interest rate risk management strategies to reflect a more neutral stance and provide some protection against a lower interest rate environment, though at present a somewhat higher level of interest rates would provide incremental benefit to the bank.

STRONG CAPITAL POSITION
COMMON EQUITY TIER 1 RATIO (CET1)



Delivering More Value — and Capital — to Shareholders

Zions Bancorporation's return on average tangible common equity was 14.2% in 2018, up from 9.0% in 2017. Our return on equity approximated that of our peer group, though our shareholders' equity as a percentage of risk-weighted assets continues to be generally stronger than peer levels.

Our stronger profitability in 2018 led to a 136% increase in the common dividend, to $1.04 per share, and the repurchase of 12.9 million common shares, or 6.6% of the common shares outstanding at the beginning of the year. With moderate loan growth, we expect to continue our program of reducing our share count through repurchases while increasing the dividend in a sustainable fashion.

SIMPLIFYING PROCESSES

"Automation allows us to focus the talents of our team members on creating value for our customers by reducing back office repetitive, rules-based tasks."

Nathan D. Ellison, Senior Manager, Automation Process Development

Simple, Easy, Fast — and Safe

Over the past three years we've focused relentlessly on simplifying and fortifying our operating environment with the objective of eliminating waste, improving transparency, reducing complexity that creates risk, and delivering a great experience for customers while keeping safety and soundness front and center in our approach to doing business. Our President and Chief Operating Officer Scott McLean has led this effort, with strong participation from each of our executive officers and many others in the organization, and the results have been impressive.

While literally thousands of mostly small innovations have been tackled in recent years, a major focus is on a continuously updated list of 40 top Simple, Easy, Fast, Safe projects. Here's a sampling of projects that were completed or launched during 2018:

- *Wire Transfers Simplification:* We simplified the process for wires initiated through our online banking platform and reengineered the process for initiating wires in our branches. The result was a 45% increase in wires submitted online, a 38% reduction in rejected wire transfer agreements, and a greatly improved customer experience both online and in our branches.
- *Streamlining Small Business Loans:* We merged three Business Banking Loan Centers into a single site, consolidated multiple loan origination platforms onto a single system, and we reduced the time required to decision and fund smaller unsecured loans from over two weeks to less than four hours. The enhanced process has dramatically increased the number of approved loans that are closed from 40% to 90%.
- *Elimination of "Wet" Signatures:* In addition to establishing a team focused on enabling the use of digital signatures in customer documents, we have been attacking the thousands of internal forms and processes that have long required "wet" signatures and are replacing them with paperless processes. For example, a form requiring two original signatures that had been used between 800 and 1,000 times per day in one operational group was replaced with a paperless process, saving money and aggravation.
- *Verification of Deposits:* We're frequently required by government agencies and other third parties to provide information, with our customers' consent, about their deposits. The automation of this process has reduced the turnaround time from three business days to about three minutes, reducing cost and customer frustration.

A culture of continuous improvement and identifying opportunities for greater efficiency is developing deep roots throughout the bank, and the results are showing in our operating results.

Eliminating Our Holding Company

One of the more important steps we took during the year to simplify our business was to merge our parent company, Zions Bancorporation, into its subsidiary bank, ZB, N.A. The resulting bank, which continues to operate under eight terrific local brand names and with a very community-oriented approach to doing business throughout the western United States, was renamed Zions Bancorporation, N.A. (National Association). The publicly traded bank operates with a national charter and under the supervision of the Office of the Comptroller of the Currency (OCC).

It had become increasingly evident in recent years that, given the increased powers available under our national bank charter, and considering the straight-forward traditional banking business we conduct, the need for a bank holding company had become superfluous. Virtually every aspect of our business was conducted — and could be conducted — with a national bank charter alone, without the need for a holding company.

The Dodd-Frank Act, which was passed in 2010, had given the Federal Reserve additional powers and had imposed expensive and burdensome new regulations on bank holding companies, with the result that the Federal Reserve was increasingly conducting examinations and involving itself in the affairs of our company in a manner that was highly redundant with the regulation and supervision then being provided by our subsidiary bank's primary regulator, the OCC.

Although the 2018 Economic Growth, Regulatory Relief, and Consumer Protection Act provided relief from some of the burdensome regulations applied to large bank holding companies, it still left us with a great deal of highly duplicative oversight and examinations. By merging the holding company into its subsidiary bank, and successfully applying to the Financial Stability Oversight Council for a determination that Zions does not pose a systemic risk to the U.S. economy, we were able to streamline our federal safety and soundness supervision with oversight by a single, strong, highly qualified regulator.

Current Expected Credit Losses

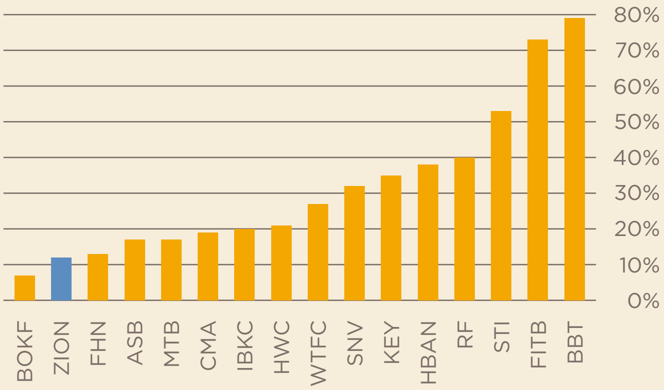
While the pendulum of burdensome regulatory issues facing the industry has been moderating over the past two years, we continue to see new mandates whose costs will be greater than the ills they seek to remedy. Perhaps the best example at the moment can be found in the Financial Accounting Standards Board's new accounting standard for loan losses, known generally as the *Current Expected Credit Losses*, or "CECL" rule. The new standard, which is slated to become operative beginning in 2020, requires banks and other owners of loans and similar financial instruments to establish a reserve for losses expected throughout the life of the loan at the inception of the transaction. This would replace the current "incurred loss" approach, which requires that reserves be established for a loss currently inherent in a loan, even if it has not yet become evident, while not requiring such reserves to be established for losses that may emerge later.

Establishing reserves for future losses requires new methodologies and models, and we've been working to ensure we are prepared to implement the standard. But the standard, as currently written, will create confusion among investors as there will be little basis for comparing the adequacy of reserves among different banks, since the reserve established for each loan will be dependent not only on its inherent credit characteristics, but also on its tenor (length of time to maturity). Thus, very short-term loans will, all other things being equal, have lower loss reserves than longer-term loans. Reserves will also differ from bank to bank because of variances among economic forecasts.

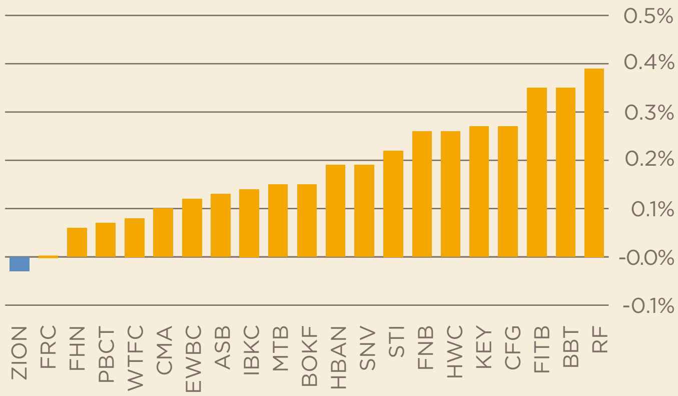
CECL's inherent impetus to reduce lending to otherwise bankable individuals and businesses with somewhat lower credit qualifications, and to shorten the maturity of their loans — particularly during times of stress in the economy — will be the most problematic consequence of this new accounting standard. Because the additional reserves mandated by CECL will constitute a charge to earnings but not count toward regulatory capital, banks will almost

ANNUALIZED NET CHARGE-OFFS/NONACCRUAL LOANS

Last Five Years Average



NET CHARGE-OFFS / AVERAGE LOANS – 2018



Zions experienced net loan loss recovery in 2018 and ranks 6th best among peers in the last five years.

certainly do all in their power to limit the types of loans that create the greatest pressure to earnings and capital, especially if the alternative is to raise additional capital at a time when market conditions are likely to be challenging and equity prices low. CECL, as currently constituted, is not good accounting policy. It's even worse as economic policy, and we're advocating for its revision or withdrawal.

Building a Strong Foundation

We're building one of the strongest banks in the nation — one with a very durable foundation. We've made great progress over the past few years toward that goal, having developed a balance sheet with strong capital and a lower risk profile than in previous years. We've invested a great deal in our risk management capabilities, and we're building what we believe will be one of the strongest technology platforms in the industry.

➤ ***Our Balance Sheet and Risk Management***

One measure of how dramatically we've improved the risk in our balance sheet can be found in noting that since the depths of the financial crisis at the end of 2009, *our total assets have grown by 34%, but our regulatory risk-weighted assets have grown by only 4%*. What's more, over the same period, *our tangible common equity capital has increased a hefty 96%*. In other words, our capital has grown at more than 20 times the rate of credit risk in our balance sheet since the end of the Great Recession. At year-end 2018, our equity capital ratios were at the top end of the country's largest banks, and we're working at bringing them somewhat closer into line with our risk profile. But we expect to remain on the stronger side of the scale relative to peers so that we come into the next downturn, whenever that may be, in a position of strength.

While we are no longer considered a "Systemically Important Financial Institution," and thus are not subject to some of the more intricate requirements the Dodd-Frank Act imposes on the largest financial institutions, we've invested a great deal in developing a strong risk management framework, and we intend to continue to employ the tools we've developed in managing the business. For example, we invested many millions of dollars developing sophisticated stress testing capabilities, and we are continuing to use these models to inform and challenge our thinking about portfolio concentration limits and capital adequacy.

One of the greatest risks we, and almost all large organizations, face is the threat of hacked systems and data breaches. Cybersecurity is a major risk management focus for us and is one of the few areas in the bank with a nearly unconstrained budget. Our staffing in this area over the past year has grown by over 60%, and our budget for 2019 is more than twice what it was two years ago. We routinely engage third-party cyber-defense firms to test both our perimeter network defenses, as well as more mundane physical and internal vulnerabilities in a threat environment that is constantly evolving.

ADVANCING TECHNOLOGY

Jennifer A. Smith, Chief Information Officer and Cliff L. Bates, Director, Technology Reliability Engineering and Operations

"We are advancing technology at a pace that our competitors will struggle to meet. We are doing the hard work today that will be required of substantially all other large regional and national banks in the future by replacing our core loan and deposit systems. This will provide us with a flexible and real time digital backbone. At the same time, we are implementing the digital technology solutions which our customers want — making banking simpler, easier, faster, and safer."

Jennifer A. Smith, Chief Information Officer

➤ *Investments in Technology*

One of the most notable features of our endeavor to build a strong foundation can be found in our technology investments. Facing a future in which digital banking capabilities and data analytics will be critically important, we're building a strong technology architecture with a focus on replacing our aging core loan and deposit systems. After an exhaustive evaluation of every major vendor, we entered into a partnership with Tata Consultancy Services, one of the world's premier information technology organizations, to deploy their BaNCS platform. The BaNCS core banking system continues to be rated as one of the two or three leading digital core banking software solutions in the world by some of the industry's most reputable technology consulting firms. We are in about the sixth inning of the ballgame, having successfully implemented two of three phases: consumer loans, in 2017; and commercial & industrial and commercial real estate loans in mid-February 2019. We have embarked on the final phase of the project, replacing our deposit systems, with implementation expected to be complete in 2022.

Replacing any core system is a massive, complicated and expensive undertaking. Replacing all of them, in a single integrated project, is nearly unheard of. This is an infrastructure investment that should serve us well for the next 20 years or more. It will provide us with a highly modern technology foundation capable of operating in real time and integrating easily with a wide variety of digital product offerings.

We also believe it will provide us with data assets that are second to none in the industry. At the same time, the project has been the catalyst for modernizing and simplifying our data environment, which should lead to continuing opportunities to streamline the way we do business. Having had a front-row seat to the intensive planning and the seemingly endless testing that goes into ensuring that thousands upon thousands of details in such a major program are executed perfectly, I couldn't be prouder of our team of professionals that continues to work tirelessly to ensure the success of this project.

➤ *Digital Banking*

Even as we are replacing our core systems, which will allow us to provide a rich variety of products and features to our customers in years to come, we're also delivering digital capabilities that will ensure we remain current and competitive in providing customers with a great banking experience today. In recent months, we've redesigned and refreshed our public websites that our customers visit about 40 million times each year. We installed a new version of our Treasury Internet Banking application, a product used by thousands of our largest customers in managing nearly 40% of our demand deposit balances. The new Treasury Management platform allows for greater customer self-service in establishing user access rights and customizing settings, and is much more intuitive to navigate.

We launched Zelle®, a digital payments app that is rapidly becoming the leading person-to-person payments product in America. We introduced a new digital deposit account opening process that allows users to open a new checking, money market or savings account in as little as five minutes. In addition, we are in the process of rolling out a digital business loan application that provides an elegantly simple and fast experience for small businesses applying for credit. We are also in the process of rolling out a new digital mortgage application that will integrate and automate a borrower's tax returns and bank statements, and provide a competitive experience with the most advanced online mortgage lenders.

Over the next 12-18 months, we will be working to implement an enhanced mobile banking platform designed to provide our customers with industry-leading digital banking functionality. In a recent survey by Barlow Research Associates, Inc., assessing 70 digital banking criteria across nine different functional categories (enrollment, login, bill pay, etc.), Zions achieved a score of 33 out of 70. With our new digital banking platform, we expect to increase that score to 58 out of 70. By comparison, the *combined highest scores* for each of the nine categories, achieved by *five different banks*, totaled 64 out of a possible score of 70.

INVESTING IN PEOPLE

Keith D. Maio, Chief Banking Officer, leads a discussion on lessons learned from recent challenges experienced by the banking industry. The Zions Bancorporation Leadership Seminar was initiated to further develop the future leaders of Zions Bancorporation.

"Our competitive advantage in a relationship-driven business will always be, first and foremost, our people. We're making investments to help our bankers know they're highly valued, and to help ensure they'll build long and rewarding careers with us."

Harris H. Simmons, Chairman and Chief Executive Officer

➤ *Our People*

We're deeply committed to ensuring that Zions Bancorporation is a great place to work, offering our colleagues an environment in which voices are heard and teamwork is celebrated. We're determined to invest in our colleagues' professional development and provide opportunities to grow and advance. And we want to provide competitive compensation and benefits while supporting our people's ability to keep the right balance between their work and their personal lives.

After the enactment of the Tax Cuts and Jobs Act of 2017, we provided more than 40% of our colleagues — those with annualized salaries of $50,000 per year or less — with wage increases of between 1.0% and 5.0% at the beginning of 2018. We also provided one-time bonuses of $1,000 to the nearly 80% of our colleagues with annualized base salaries of less than $100,000 who worked half time or more throughout the year.

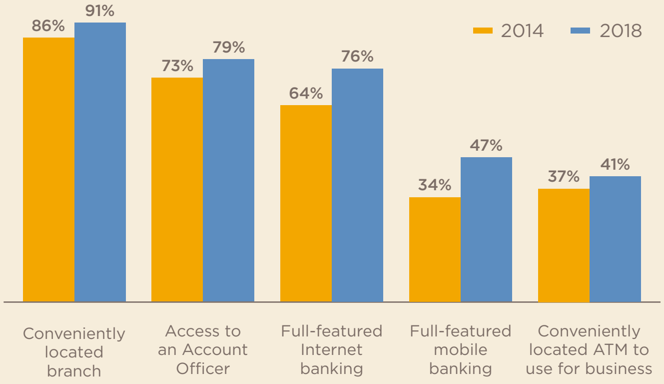
We also enhanced a variety of employee benefits during the year, including:

- Enhancing the bank's match on our 401(k) plan, increasing it from 4.0% to 4.5% for those who contribute 6% or more of their pay to the plan
- Supplementing our Sick Leave program with a new Short-term Disability plan, virtually eliminating the period during which a colleague might experience no coverage
- Implementing a new Paid Parental Leave program that operates in tandem with the Short-term Disability plan to provide greater flexibility and meaningful time off for the birth and care of a newborn child
- Implementing an Adoption Assistance program to help colleagues with the cost of adoption services
- Enhancing our preventive drug coverage, covering 80% of the cost of preventive medications regardless of whether colleagues have met their deductibles
- Providing additional vacation time for many of our longer-tenured colleagues

Our competitive advantage in a relationship-driven business will always be, first and foremost, our people. We're making investments like these to help our bankers know they're highly valued, and to help ensure they'll build long and rewarding careers with us.

SMALL BUSINESS IMPORTANCE OF CHANNELS IN SELECTING A NEW PRIMARY BANK

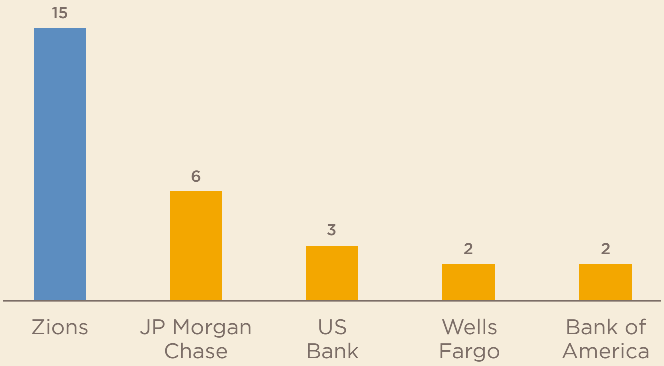
% Top Priority/Very Important



Source: Barlow Research Economic Pulse Second Quarter Trending Data

GREENWICH EXCELLENCE AWARDS: 2009-2018 (Yearly Average)

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



Source: Greenwich Associates (February 2019) with multi-year averages calculated by Zions. Awards include recognition of excellence in a variety of banking product and service categories in both small and middle market business banking. Nationally, more than 600 banks were evaluated through the process of surveying more than 20,000 commercial banking customers.

A Future Built on the Integration of Technology with Personal Relationships

Technological change has been a constant feature of the banking landscape for decades, but the pace of change continues to accelerate. We believe it's not only *possible* for a regional bank like Zions Bancorporation to remain competitive in meeting technology challenges — in some ways it's *easier*, since we are of a scale that is large enough to make meaningful investments, while small enough to keep significant change manageable.

Even with all the attention being paid to technology, *survey after survey* — and our own experience — indicates that, especially for the small and mid-sized business customers that are such an important part of our target market, the number one factor in determining where such customers bank is their proximity to a bank branch, followed in close succession by access to a qualified banker. As we think about how we compete, we are determined to marry the transactional convenience of a great digital banking experience with the trust and confidence borne of the longstanding personal relationships we develop with customers.

In keeping with our theme of investing in our people, a major objective over the next few years is to materially upgrade the credit and financial savvy of our front-line bankers and the technical skills of our back-office professionals. A particular focus will be on our branch bankers who are the face of the bank to most of our customers. Beginning in 2019, we'll be broadening the scope of our bankers' training and educational activities. As front-line bankers achieve stronger credentials, we want to ensure that they have sufficient authority to make the kinds of common-sense decisions our customers expect from well-trained bankers; and we want to create meaningful opportunities and compensation arrangements that allow bankers to flourish throughout their career in a branch setting.

In an industry where branches are increasingly seen as a burdensome source of cost, a place where applications are taken but decisions cannot be made, and where the staffing in most large banks' branches is characterized by low levels of experience and high turnover, we want to ensure that our branches are staffed with real bankers, with much longer-than-average tenure, who can solve problems and build and maintain the kinds of relationships customers value.

While we serve a variety of individuals, businesses, non-profit organizations and municipalities, in the years ahead we will particularly emphasize banking the millions of prospective small business customers with revenues of less than $10 million, as well as mid- and medium-sized businesses with revenues of up to about $250 million, across the western United States, together with their owners and executives. The businesses we bank account for approximately 70% of our total revenues and are a major source of stable funding. Among the initiatives we have underway are broadening the set of digitally enabled products we offer small businesses through partnerships with third-party vendors; supplementing branch personnel with remote relationship bankers to augment our sales and service efforts; and developing a customized approach to financing smaller commercial real estate projects.

FOCUSING ON CUSTOMERS

Kathy Pederson, owner of Dolly's Bookstore in Park City, Utah with Debbie A. Bump, Branch Manager, Zions Bank

"Our determination to provide a distinctive experience for customers using both cutting edge technology and through the continuous development of an exceptionally strong team of bankers is a component of our plan to build a lasting, well-balanced banking business."

Harris H. Simmons, Chairman and Chief Executive Officer

Niche Businesses That Complement Our Commercial Focus

A central focus on banking small and middle-market businesses is augmented by several specialized lines of business. For example, our Practice Pathways venture provides financing to dentists, veterinarians, optometrists and other practitioners in medical-related fields. We originated $135 million of such loans in 2018, with very strong quality metrics and no losses or non-performing assets.

Our Power and Project Finance group is another example of a specialized focus on business opportunities on a national scale. This group, formed in 2016, has originated more than $800 million in clean energy credits consisting primarily of utility-scale solar and wind energy projects, with $462 million in loans outstanding at year end. These deals, which have strong sponsors and end users, reflect the nation's transition from traditional energy sources to cleaner and more sustainable sources of energy.

Our Municipal Finance business is also experiencing solid growth. This business, which operates primarily in the West but increasingly on a national scale, focuses on delivering credit and treasury management products and services mainly to small and mid-sized municipalities. In 2018, we originated more than $800 million in credit to over 200 cities and towns in 19 states.

Building a larger private banking and wealth management business is also a priority for us, as is broadening the scope of capital markets products and activities we engage in, appropriate to the profile of the businesses we serve. Both of these opportunities for growth build on our primary focus of banking businesses and their owners.

Keeping the Balance Right

In our Guiding Principles, we emphasize that the critical elements of our business that must be mastered if we are to succeed over the long term might be characterized as the three legs of a stool:

- Effective management of a wide variety of risks
- Sales and the creation of a quality experience for our customers
- Control of operating expenses

We note that these three components of our business are "at odds" with one another, and must be continually balanced and strengthened. For example, our determination to manage risk often conflicts with some customers' desires for greater leverage than may be appropriate for their businesses. The late Robert G. Wilmers, long-time chairman and CEO of M&T Bank Corporation and one of our industry's most respected leaders, said years ago that bankers are the censors of some of our customers' most exotic aspirations. Playing that role can sometimes strain customer relationships. Likewise, the need to carefully control costs means that there is resource contention as we seek to manage risks, create a great workplace for our colleagues, and develop new customer relationships.

Our success at balancing and strengthening the delivery of great customer experiences while simultaneously managing risks and controlling costs is fundamentally important as we continue to build a great business in the years to come. Our results, and the initiatives we're currently pursuing, reflect our determination to continually strengthen the three legs of this stool. Our focus on investing in technology, both foundational and tactical; our determination to provide a distinctive experience for customers using both cutting edge technology and through the development of an exceptionally strong team of bankers; and our continuing focus on simplification and cost control, are all components of our plan to ensure we have a lasting, well-balanced banking business.

I'm very proud of the great people with whom I'm privileged to work. They're wonderful friends and colleagues, and they're extraordinary in every way. They're building a company that's durable, sustainable, and committed to providing great value for our customers and investors alike.

My thanks to our shareholders, and especially those who've been long-time investors. We're determined that ours will be a business of which you'll always be proud.

Respectfully,

Harris H. Simmons, Chairman and CEO
February 28, 2019

Financial Highlights

(Dollar amounts in millions, except per share amounts)	2018/2017 Change	2018	2017	2016	2015	2014
FOR THE YEAR						
Net interest income	+8%	$ 2,230	$ 2,065	$ 1,867	$ 1,715	$ 1,680
Noninterest income	+1%	552	544	516	357	493
Total revenue	+7%	2,782	2,609	2,383	2,072	2,173
Provision for credit losses	NM	–40	17	83	34	–107
Noninterest expense	+2%	1,678	1,649	1,585	1,581	1,649
Income before income taxes	+22%	1,143	936	705	451	621
Income taxes	–25%	259	344	236	142	223
Net income	+49%	884	592	469	309	398
Net income applicable to controlling interest	+49%	884	592	469	309	398
Net earnings applicable to common shareholders	+55%	850	550	411	247	327
PER COMMON SHARE						
Net earnings – diluted	+57%	4.08	2.60	1.99	1.20	1.68
Net earnings – basic	+61%	4.36	2.71	2.00	1.20	1.68
Dividends declared	+136%	1.04	0.44	0.28	0.22	0.16
Book value at year-end	+4%	37.39	36.01	34.10	32.67	31.35
Market price – end	–20%	40.74	50.83	43.04	27.30	28.51
Market price – high	+13%	59.19	52.20	44.15	33.03	33.33
Market price – low	–1%	38.08	38.43	19.65	23.72	25.02
AT YEAR-END						
Assets	+4%	68,746	66,288	63,239	59,665	57,203
Net loans and leases	+4%	46,714	44,780	42,649	40,650	40,064
Deposits	+3%	54,101	52,621	53,236	50,374	47,848
Long-term debt	+89%	724	383	535	812	1,086
Federal funds and other short-term borrowings	+14%	5,653	4,976	827	347	244
Preferred equity	NM	566	566	710	829	1,004
Common equity	–1%	7,012	7,113	6,924	6,679	6,366
PERFORMANCE RATIOS						
Return on average assets		1.33%	0.91%	0.78%	0.53%	0.71%
Return on average common equity		12.10%	7.70%	6.00%	3.80%	5.40%
Tangible return on average tangible common equity		14.20%	9.04%	7.10%	4.60%	6.70%
Net interest margin		3.61%	3.45%	3.37%	3.19%	3.26%
CAPITAL RATIOS AT YEAR END						
Equity to assets		11.0%	11.6%	12.1%	12.6%	12.9%
Common equity tier 1 (Basel III)		11.7%	12.1%	12.1%	12.2%	11.9%
Tier 1 leverage		10.3%	10.5%	11.1%	11.3%	11.8%
Tier 1 risk-based capital		12.7%	13.2%	13.5%	14.1%	14.5%
Total risk-based capital		13.9%	14.8%	15.2%	16.1%	16.3%
Tangible common equity		8.9%	9.3%	9.5%	9.6%	9.5%
Tangible equity		9.7%	10.2%	10.6%	11.0%	11.3%
SELECTED INFORMATION						
Weighted average diluted common shares outstanding (in thousands)	–2%	206,501	209,653	204,269	203,698	192,789
Bank common shares repurchased (in thousands)	+85%	12,943	7,009	2,889	—	—
Common dividend payout ratio [1]		23.8%	16.05%	14.00%	18.30%	9.60%
Capital distributed as a percentage of net earnings applicable to common shareholders [2]		103%	74%	36%	18%	9%
Full-time equivalent employees	+1%	10,201	10,083	10,057	10,200	10,462
Commercial banking offices	NM	433	433	436	450	460

[1] The common dividend payout ratio is equal to common dividends paid divided by net earnings applicable to common shareholders.

[2] Common dividends paid plus dollar amount used for share repurchases for the year, divided by net earnings applicable to common shareholders.

GAAP to Non-GAAP Reconciliation

	(Dollar amounts in millions, except per share amounts)	2018	2017	2016	2015	2014
PRE-PROVISION NET REVENUE (PPNR)						
(a)	**Total noninterest expense**	**$ 1,678**	**$ 1,649**	**$ 1,585**	**$ 1,581**	**$ 1,649**
	LESS adjustments:					
	Severance costs	3	7	5	11	9
	Other real estate expense	1	(1)	(2)	(1)	(1)
	Provision for unfunded lending commitments	(1)	(7)	(10)	(6)	(9)
	Debt extinguishment cost	—	—	0	3	44
	Amortization of core deposit and other intangibles	1	6	8	9	11
	Restructuring costs	2	4	5	4	—
(b)	*Total adjustments*	*6*	*9*	*6*	*20*	*54*
(a-b)=(c)	**Adjusted noninterest expense**	**1,672**	**1,640**	**1,579**	**1,561**	**1,595**
(d)	Net interest income	2,230	2,065	1,867	1,715	1,680
(e)	Fully taxable-equivalent adjustments	22	35	25	18	16
(d+e)=(f)	Taxable-equivalent net interest income (TENII)	2,252	2,100	1,892	1,733	1,696
(g)	Noninterest Income	552	544	516	357	493
(f+g)=(h)	**Combined Revenue (GAAP)**	**2,804**	**2,644**	**2,408**	**2,090**	**2,189**
	LESS adjustments:					
	Fair value and nonhedge derivative income (loss)	(1)	(2)	2	(0)	(11)
	Impairment losses on investment securities, net					
	Equity securities gains (losses), net	1	14	7	(127)	24
	Fixed income securities gains (losses), net	—	—	—	—	—
(i)	*Total adjustments*	*—*	*12*	*9*	*(127)*	*13*
(h-i)=(j)	**Adjusted revenue**	**2,804**	**2,632**	**2,399**	**2,217**	**2,176**
(j-c)	**Adjusted pre-provision net revenue (PPNR)**	1,132	992	820	656	581
NET EARNINGS APPLICABLE TO COMMON SHAREHOLDERS (NEAC)						
(k)	Net earnings applicable to common	850	550	411	247	327
(l)	Diluted Shares	206,501	209,653	204,269	203,698	192,789
	Diluted EPS	4.08	2.60	1.99	1.20	1.68
	PLUS Adjustments:					
	Adjustments to noninterest expense	6	9	6	20	54
	Adjustments to revenue	—	(12)	(9)	127	(13)
	Tax effect for adjustments (21% for 2018, 35% for prior years)	1	1	1	(56)	(16)
	Preferred stock redemption	—	2	10	—	—
(m)	*Total adjustments*	*7*	*0*	*8*	*91*	*26*
(k+m)=(n)	**Adjusted net earnings applicable to common (NEAC)**	**857**	**550**	**419**	**338**	**352**
(n)/(l)	Adjusted EPS	4.15	2.60	2.05	1.66	1.83
(o)	Average assets	66,569	65,116	60,050	58,045	55,882
(p)	Average tangible common equity	6,009	6,129	5,888	5,546	4,979
PROFITABILITY						
(n)/(o)	Adjusted Return on Assets	1.29%	0.84%	0.70%	0.58%	0.63%
(n)/(p)	Adjusted Return on Tangible Common Equity	14.3%	9.0%	7.1%	6.1%	7.1%
(c)/(j)	Efficiency Ratio	59.6%	62.3%	65.8%	70.4%	73.3%

Zions Bancorporation

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Ally Bank

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CEO, National Bank of Arizona

Zions' Peer Group

Ticker Symbol / Company Name

ASB	Associated Banc-Corp
BBT	BB&T Corporation
BOKF	BOK Financial Corporation
CFG	Citizens Financial Group, Inc.
CMA	Comerica Incorporated
EWBC	East West Bancorp, Inc.
FHN	First Horizon National Corporation
FITB	Fifth Third Bancorp
FNB	F.N.B. Corporation
FRC	First Republic Bank
HBAN	Huntington Bancshares Inc.
HWC	Hancock Whitney Corp.
IBKC	IBERIABANK Corporation
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.
WTFC	Wintrust Financial Corp.

Corporate Information

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801-844-7637

ANNUAL SHAREHOLDERS' MEETING
May 31, 2019, 1 p.m. MDT
Zions Bancorporation Executive Offices
Founders Room, 18th Floor

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Ernst & Young LLP
15 W. South Temple
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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

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
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SELECTED INDEX MEMBERSHIPS
S&P 500
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KBW Bank
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tcboregon.com

Zions Direct Inc.
zionsdirect.com

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 15.

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