

INVESTOR OVERVIEW

U.S. Financials Conference 2010

David Kemper
February 2, 2010



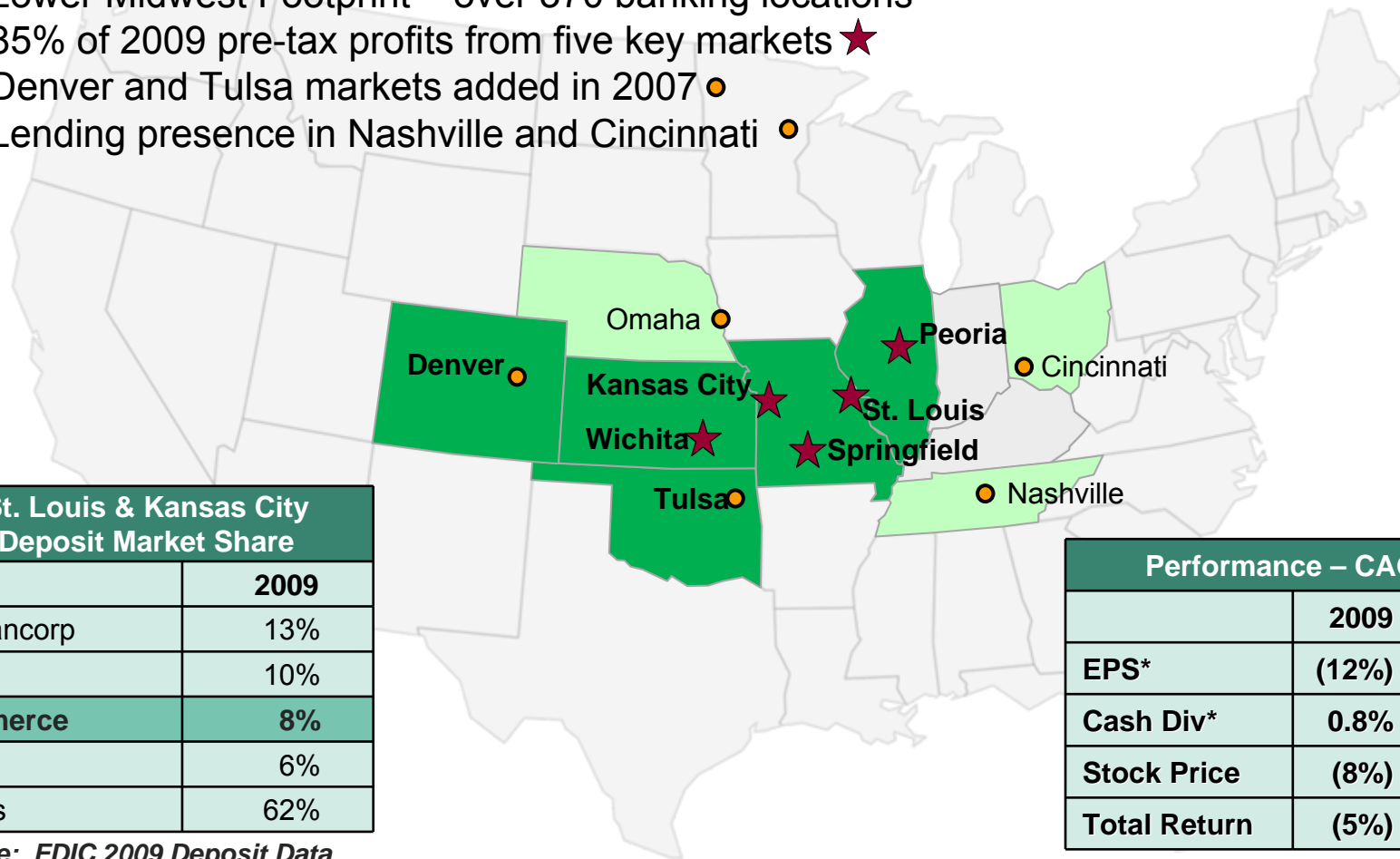
Commerce Bancshares, Inc.

CAUTIONARY STATEMENT

A number of statements we will be making in our presentation and in the accompanying slides are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements of the Corporation’s plans, goals, objectives, expectations, projections, estimates and intentions. These forward-looking statements involve significant risks and uncertainties and are subject to change based on various factors (some of which are beyond the Corporation’s control). Factors that could cause the Corporation’s actual results to differ materially from such forward-looking statements made herein or by management of the Corporation are set forth in the Corporation’s Third Quarter Report on Form 10-Q and the Corporation’s Current Reports on Form 8-K.

ABOUT COMMERCE BANCSHARES

- 140 years in the industry; \$18 billion in assets – 5,256 employees
- Super-Community Bank
- Lower Midwest Footprint – over 370 banking locations
- 85% of 2009 pre-tax profits from five key markets ★
- Denver and Tulsa markets added in 2007 ●
- Lending presence in Nashville and Cincinnati ●



St. Louis & Kansas City Deposit Market Share	
	2009
US Bancorp	13%
BoA	10%
Commerce	8%
M&I	6%
Others	62%

Source: FDIC 2009 Deposit Data

Performance – CAGR		
	2009	10yr
EPS*	(12%)	3%
Cash Div*	0.8%	10%
Stock Price	(8%)	6%
Total Return	(5%)	9%

*Per share figures have been restated for 5% stock dividend distributed on 12/15/09

SUPER-COMMUNITY BANK PLATFORM

A More Nimble Format ... With Higher Service Focus

Community Bank Front End

- Flat organization – quick decisions
- Employees embrace strong culture
- Solid multi-dimensional customer relationships
- Knowledge of customers and markets reduces risk

Super-Regional Back End

- Sophisticated payment processing systems
- Broad consumer product offerings
- Private banking; trust; capital markets
- Competitive on unit costs

A Strategy that Builds Results for Tomorrow

- Sales across business lines
- Focus on people/talent development
- Investment in technology
- Top quartile credit quality metrics
- Disciplined approach to acquisitions

SUPERIOR EMPLOYEE ENGAGEMENT

Overall engagement score significantly surpassed both mid-cap, as well as all bank indexes



Overall engagement scores have improved consistently since 2004

2009 Commerce Bank Engagement (Category)*



2008 Commerce Bank Engagement (Category)



2007 Commerce Bank Engagement (Category)



2006 Commerce Bank Engagement (Category)



2007 Global Workforce Study (U.S. Banking) Engagement Index**



■ % Favorable
 ■ % Neutral
 ■ % Unfavorable

Note: Mid-size banks average 65% favorable

* The Engagement Category is the average of the nine items that comprise the Engagement survey category.

** The Global Workforce Study % Favorable scores are averages of nine items that comprise the Commerce Engagement survey category. Mid-size banks are companies with 2,500 to 9,999 employees.

INDUSTRY-LEADING CUSTOMER SATISFACTION

2009 J.D. Power Retail Banking Results

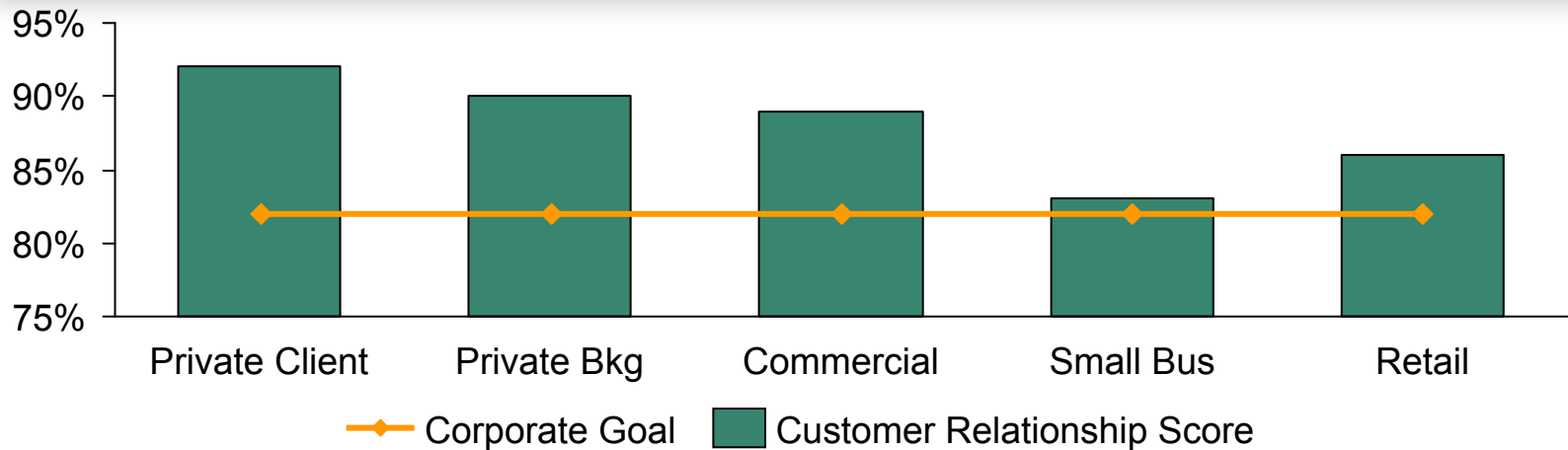


Commerce Bank Ranked Highest Customer Satisfaction with Retail Banking in the Midwest Region Two Years in a Row*

Commerce Score = 754
Midwest Bank Average = 733

Competitors of note:
 National City = 728
 BOA = 723
 Regions = 717
 US Bank = 710

Most Recent Customer Relationship Results**



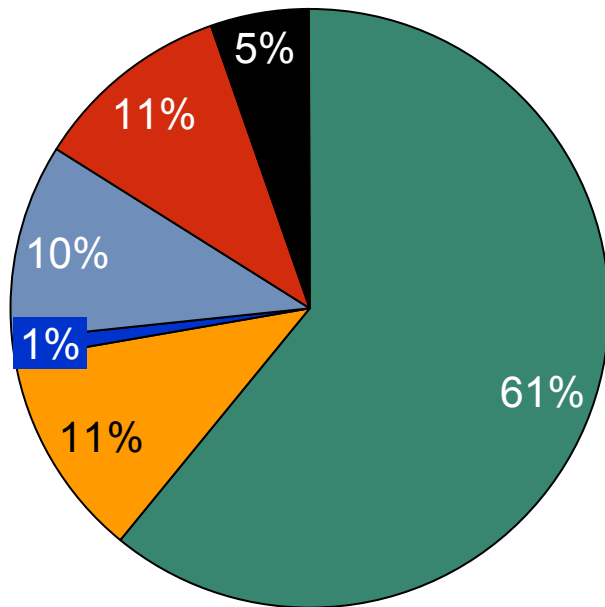
* Tied, 2009. For details see: http://www.commercebank.com/jdpower_award.asp

** Score is comprised of customer satisfaction, likelihood to repurchase and likelihood to recommend

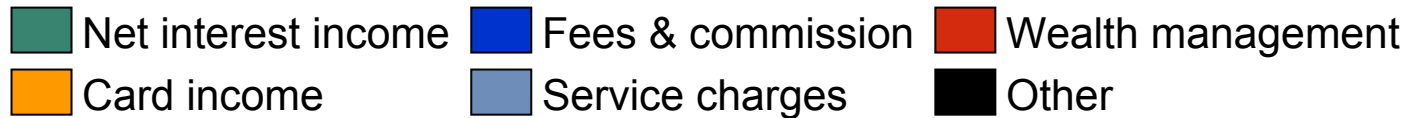
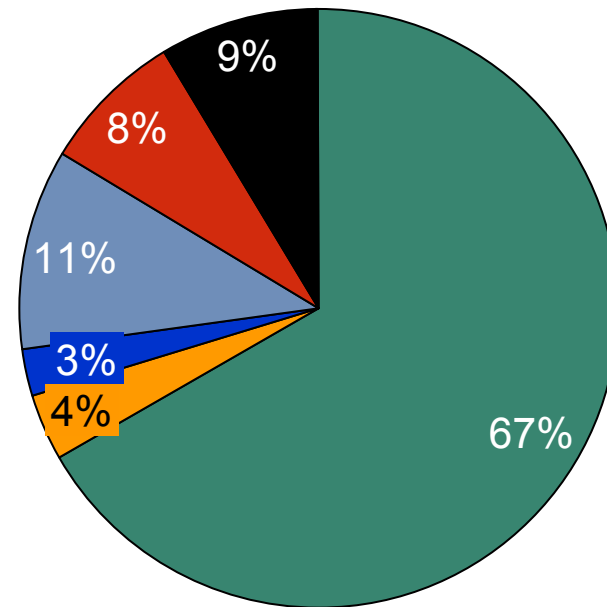
DIVERSE REVENUE SOURCES

- Balanced mix of interest and non-interest income
- Meaningful contribution from wealth management and card businesses

Commerce Bank



Peer Banks*



* Peer Banks include: ASBC, BOKF, Central Bancompany, CYN, CFR, FMER, MBFI, PVTB, TCB, UMBF, WTFC, ZION (ZION adjusted for extraordinary items)

Note: Excludes Gains and Losses on Securities

Source: Financial Information Systems; All data as of 9/30/09



SOLID CORE REVENUES OFFSET HIGHER LOAN LOSS PROVISIONS

(\$ in Millions)	2007	2008	2009	08 vs. 09 % Change
Total Revenue	\$910	\$969	\$1,032	6.5%
Securities Gains (Losses)	8	30	(7)	(123.3%)
Non Interest Expense	575	616	621	0.8%
Pre-Provision Profit	\$343	\$383	\$404	5.5%
Provision for Loan Losses	43	109	161	47.7%
Pre-Tax Profit	300	274	243	(11.3%)
Income Taxes	93	85	74	(12.9%)
Net Income	\$207	\$189	\$169	(10.6%)
Diluted EPS*	\$2.56	\$2.36	\$2.07	(12.3%)
ROA	1.33%	1.15%	0.96%	(16.5%)
ROE	14.0%	11.8%	9.8%	(17.4%)
Efficiency Ratio	62.7%	63.1%	59.9%	(5.1%)

*Restated for 5% stock dividend on 12/15/09

CONTINUING TOP LINE GROWTH

(\$ in Millions)	2007	2008	2009	08 vs 09 % Change
Interest Income	\$936	\$850	\$790	(7.1%)
Interest Expense	\$398	\$257	\$154	(40.1%)
Net Interest Income	\$538	\$593	\$636	7.3%
Contribution from Dep. Fees	117	110	106	(3.6%)
... from Cards	104	114	122	7.0%
... from Trust	79	80	77	(3.8%)
... from Bond Trading & Brokerage	21	28	33	17.9%
... from Other	51	45	50	11.1%
Non Interest Income	\$372	\$377	\$388	2.9%
Non-Recurring Revenue*	8	29	1	(96.6%)
Total Revenue & Sec G/L	\$918	\$999	\$1,025	2.6%

*Non-recurring Revenue includes Securities Gains (Losses)
2008: Write-down of student loans and gain on branch sale; 2009: Reversal of write-down on student loans

EXPENSE MANAGEMENT DISCIPLINE

(\$ in Millions)	2007	2008	2009	08 vs. 09 % change
Salary Expense	\$266	\$286	\$290	1.4%
Benefit Expense	43	48	55	14.6%
Occupancy + FF&E Expense	70	71	71	0.0%
Supplies & Communications	34	35	32	(8.6%)
Outside Fees	89	95	99	4.2%
Other	51	55	49	(10.9%)
Subtotal: Controllable Expense	\$553	\$590	\$596	1.0%
FDIC Expense	1	2	27	1,250.0%
Other: One-Time Expenses*	21	24	(2)	(108.3%)
Total Non-Interest Expense	\$575	\$616	\$621	0.8%

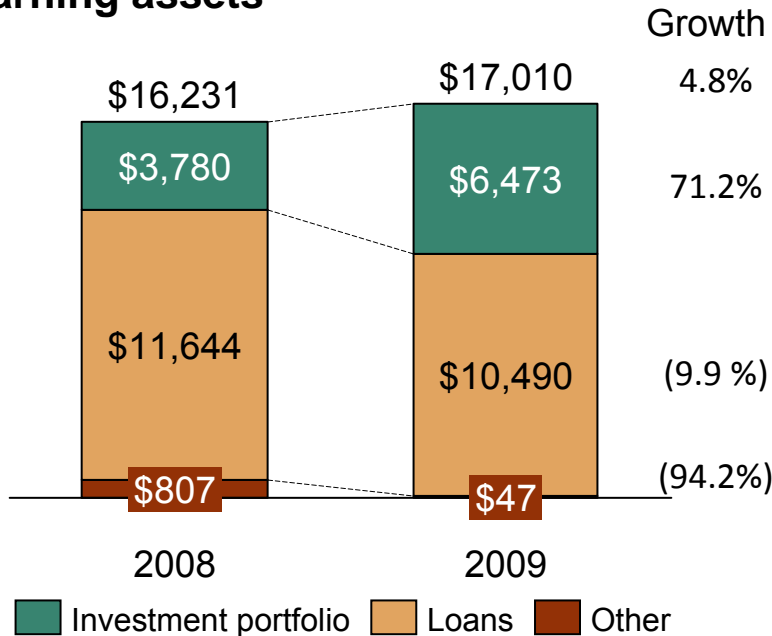
*One-time expenses: 2007 – VISA litigation expense of \$21 million;
2008 – Auction rate securities less partial reversal of VISA litigation expenses totaled \$24 million;
2009 – Reversal of VISA litigation expense of \$2 million

CHANGING BALANCE SHEET

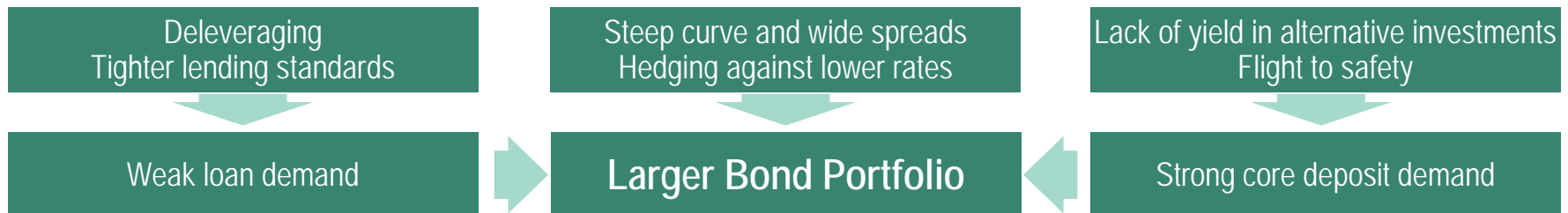
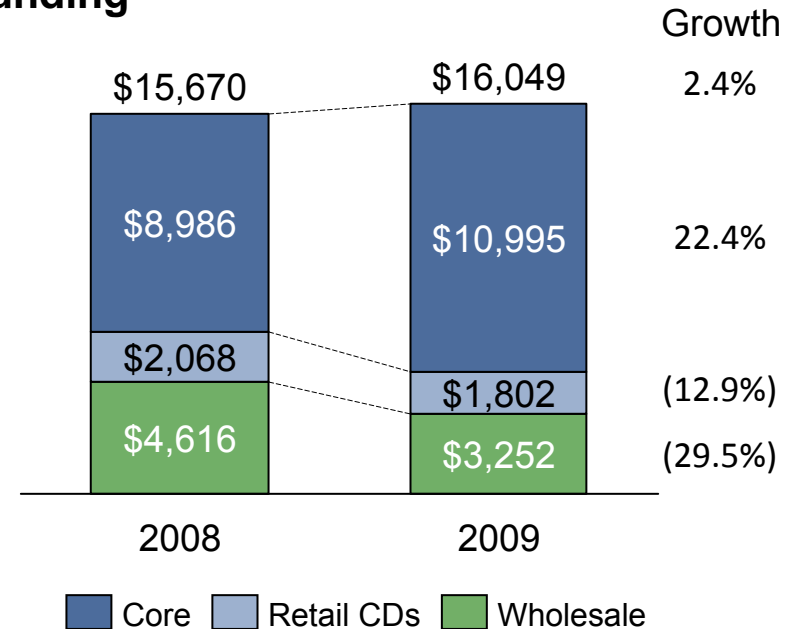
Balance sheet

\$ Millions

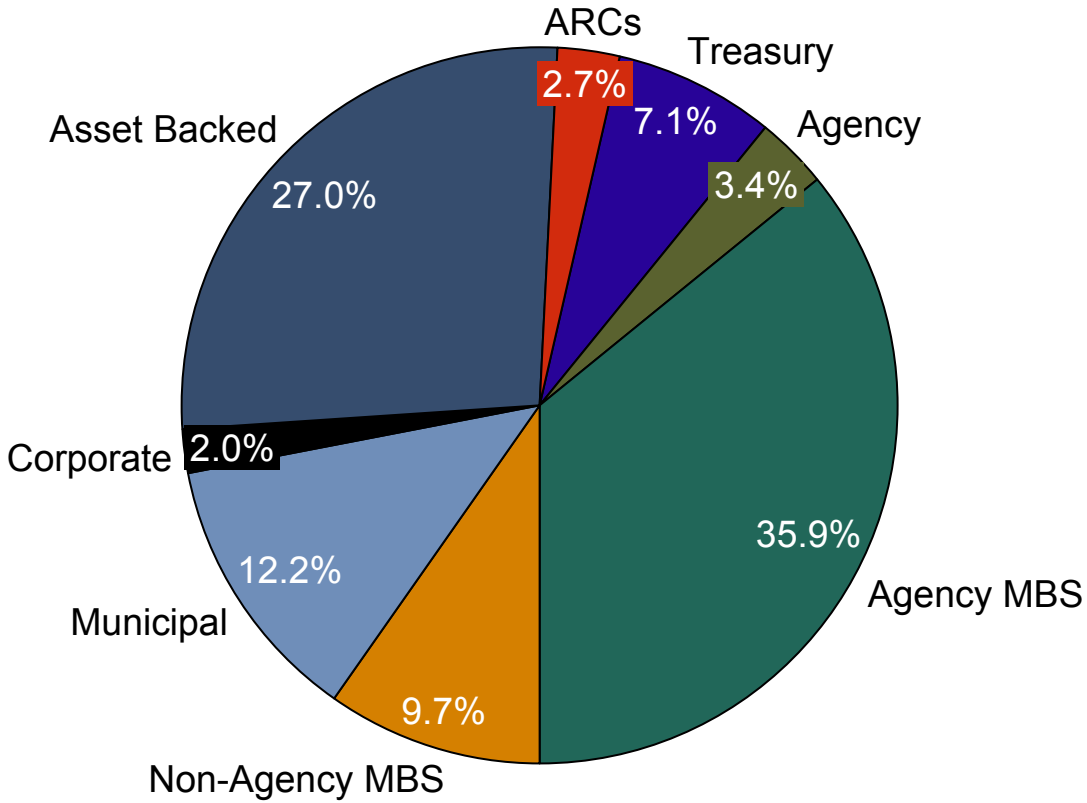
Earning assets



Funding



INVESTMENT PORTFOLIO: HIGH QUALITY, DIVERSE, SHORT DURATION



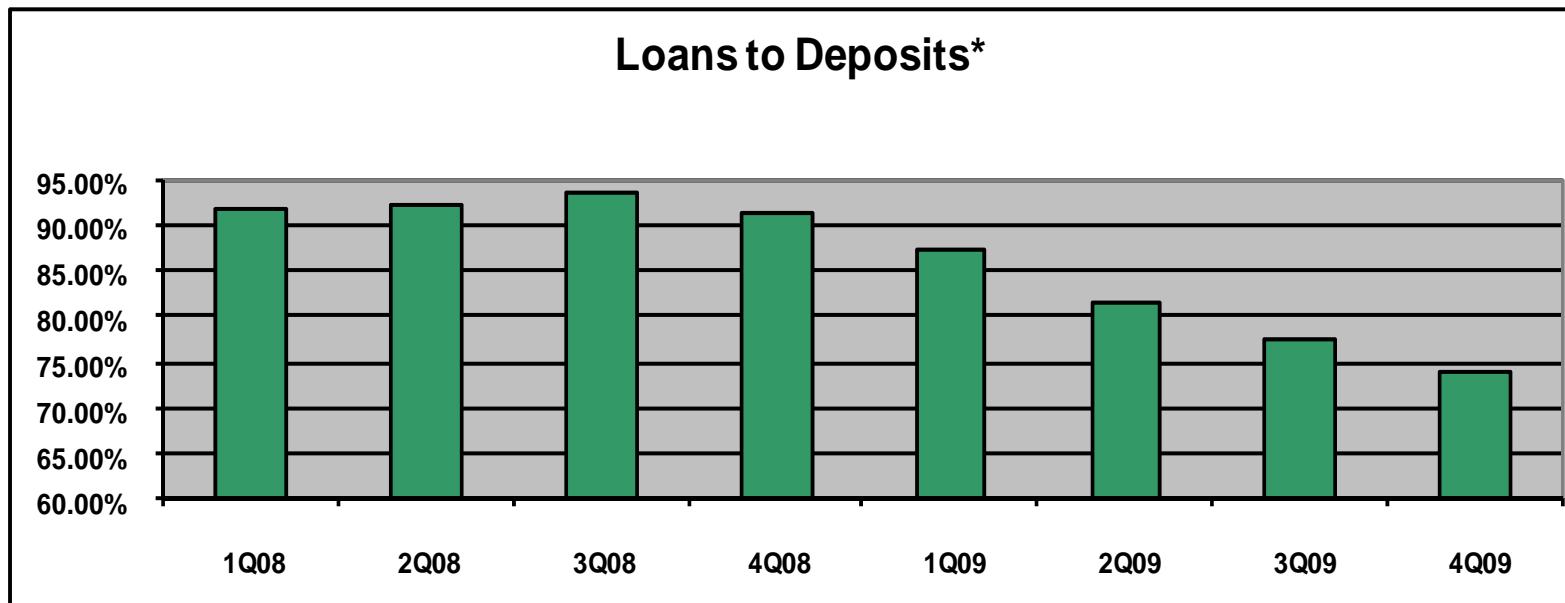
12/31/2009 PORTFOLIO

Total investments	\$6.5 billion
Unrealized gain	\$104 million
12 mo maturities	\$1.5 billion

Duration	
2007	2.07 yrs
2008	2.39 yrs
2009	2.09 yrs

STRONG LIQUIDITY

Strong deposit growth and weak loan demand have led to significant liquidity



- Primary lines of credit offer considerable liquidity

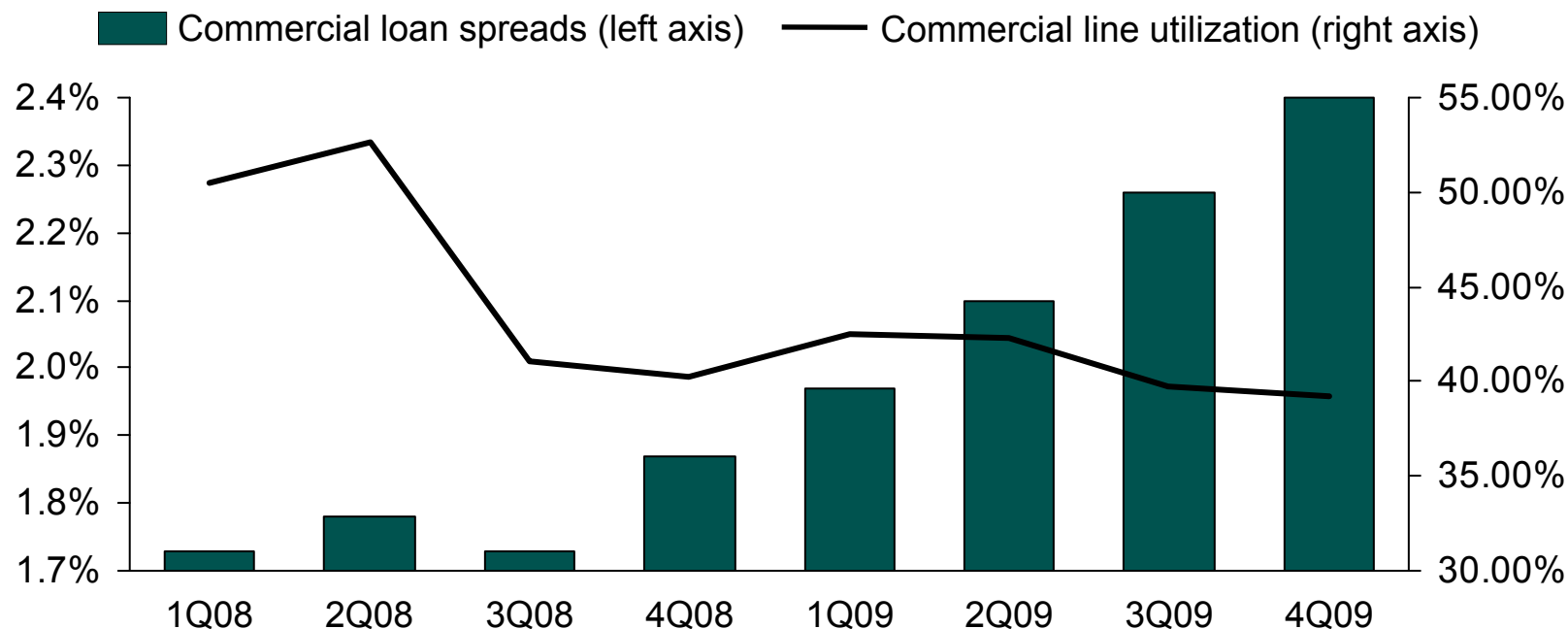
(\$ Billions)	<u>Total Lines</u>	<u>Accessed</u>	<u>Available</u>
Fed Funds	2.1	-	2.1
FHLB	2.1	1.3	0.8
Fed Reserve	2.0	-	2.0
	<u>\$6.2</u>	<u>\$1.3</u>	<u>\$4.9</u>

- Reliance on wholesale funding remains moderate and continues to decline
 - As a % of total funding, down from 20% to 14% YOY

*Average monthly loans / average monthly deposits

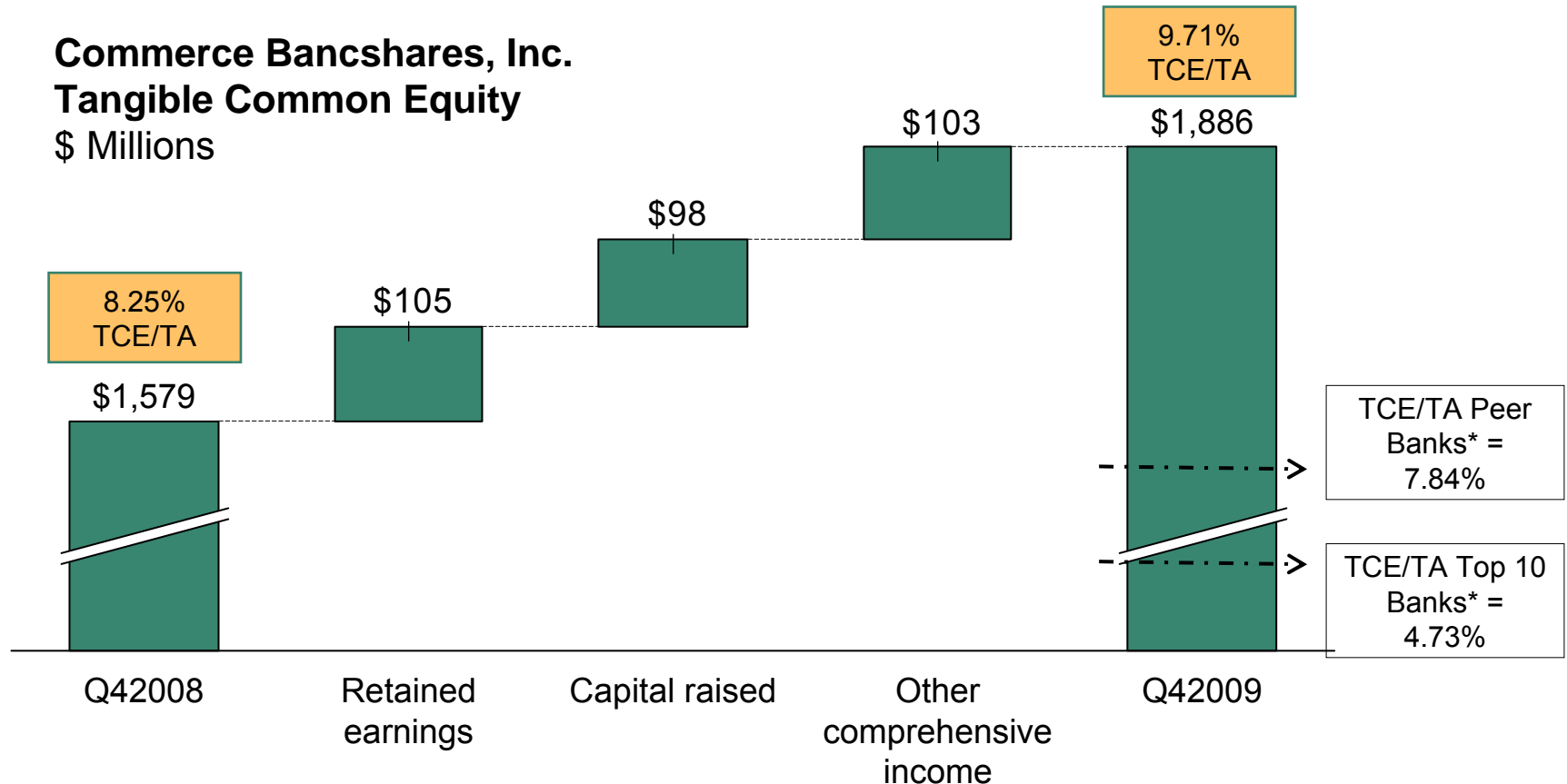
IMPROVING CREDIT SPREADS, BUT DIMINISHED LOAN DEMAND

Commercial loan spread and line utilizations



- Customers have reacted to the economy by reducing line usage; improving their own balance sheets
- Emphasis on risk-based pricing of commercial loans has yielded over \$19 million of additional interest income in 2009
 - 30% of loans were re-priced in 2009

STRONG AND IMPROVING CAPITAL POSITION



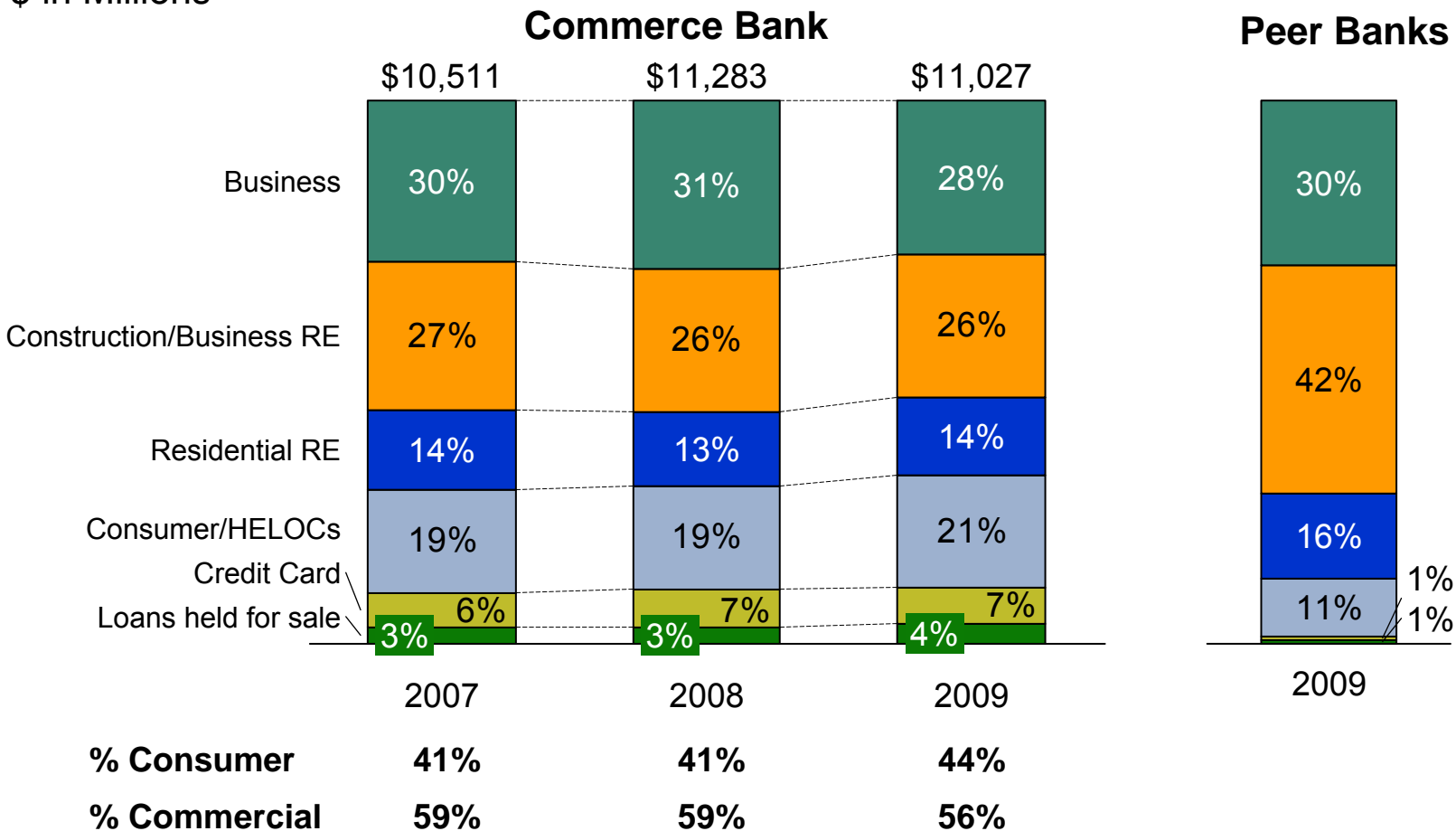
Among bank holding companies over \$10 billion, CBSH is Moody's highest rated (B+) for financial strength**

*Peer Banks reflect 3Q09 data; Source: Financial Information Systems
 **Moody's as of September 2009; Tied with two other banks

DIVERSIFIED LOAN PORTFOLIO

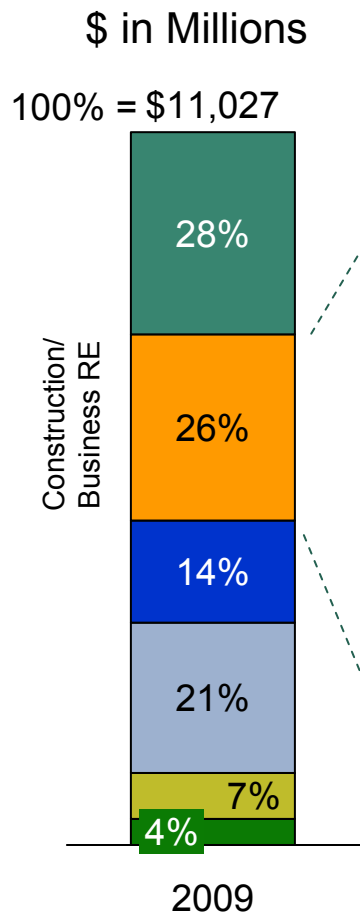
Less Real Estate concentration; higher Card/Consumer exposure

\$ in Millions



COMPOSITION OF CONSTRUCTION AND BUSINESS RE LOANS

Diversity among loan types; no large concentrations



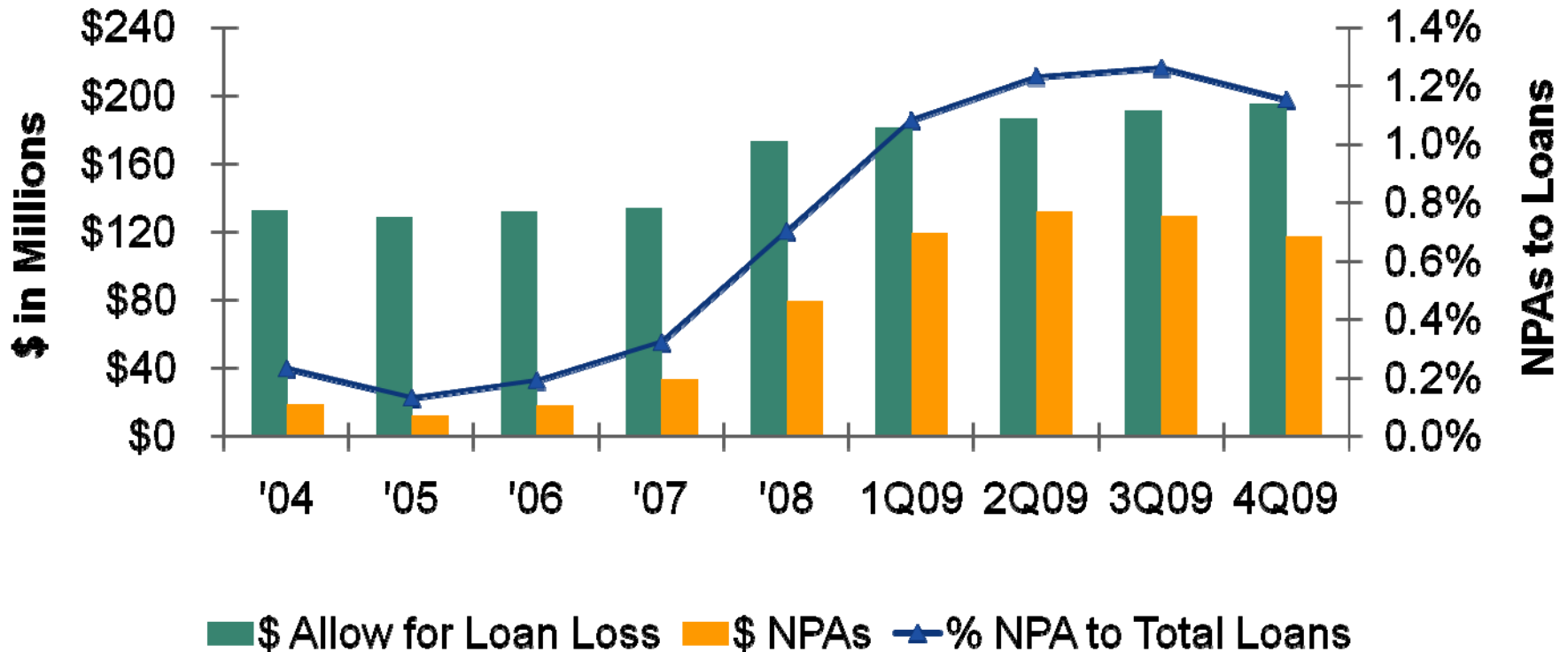
Construction and Land Development

	2009	% of sub-total	% of total loans
Residential	\$291	44%	3%
Commercial	374	56	4
Sub-total	\$665	100%	7%

Business Real Estate

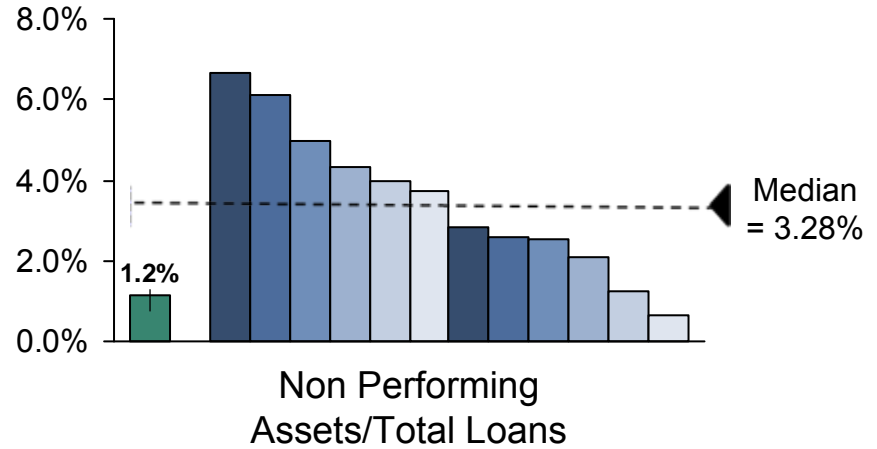
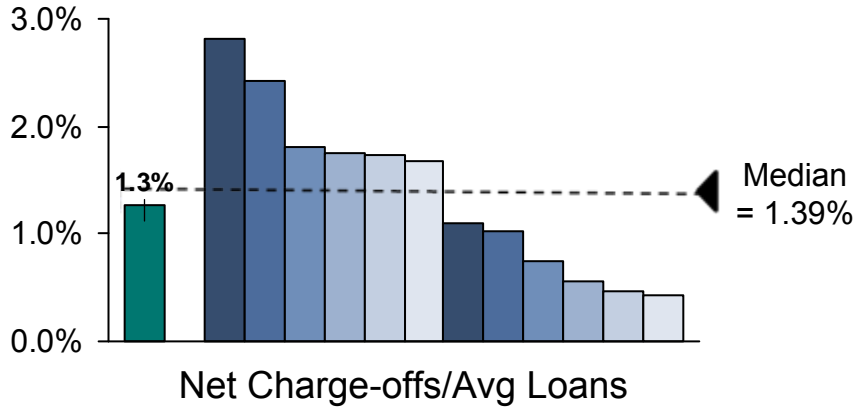
	2009	% of sub-total	% of total loans
Owner-Occupied	\$1,102	52%	10%
Office	214	10	2
Retail	211	10	2
Industrial	143	7	1
Farm	131	6	1
Hotels	115	5	1
Multi-Family	113	5	1
Other	75	4	1
Sub-total	\$2,104	100%	19%

STABILIZING NON-PERFORMING ASSETS; SOLID PROVISION COVERAGE

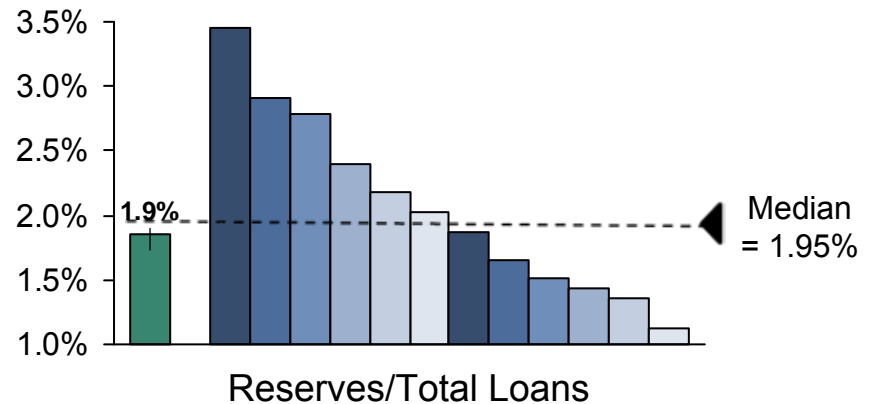
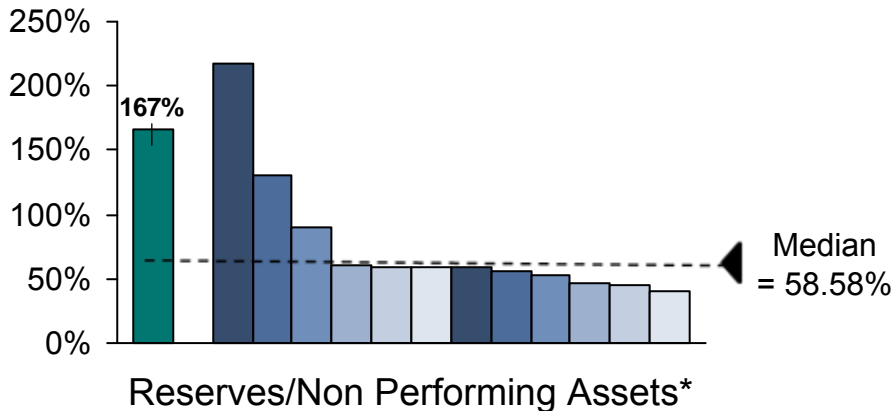


- NPAs decreased by 10%, or \$12.6 million, in 4Q09
- Reserve coverage of 167% of NPAs in 4Q09

PEER COMPARISON: ASSET QUALITY



■ CBSH Peer banks



*NPA = nonaccrual loans and foreclosed RE
 Data as of 9/30/09 except Commerce, which is as of 12/31/09
 Source: Financial Information Systems

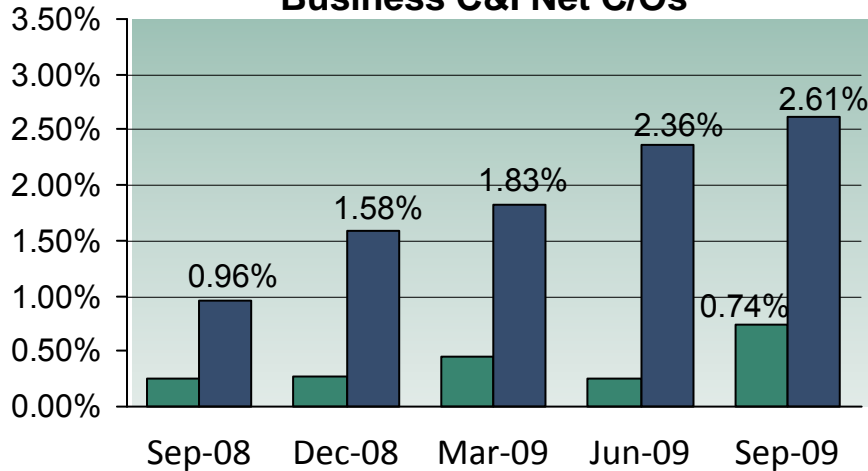
CHARGE-OFFS CONSISTENTLY BETTER THAN INDUSTRY

Net Charge Off Rates for CBI vs. Other Banks

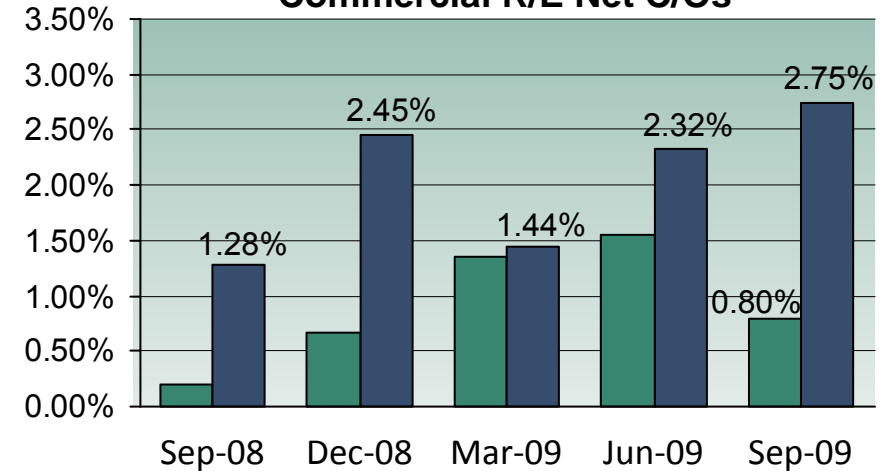


CBI Largest 100

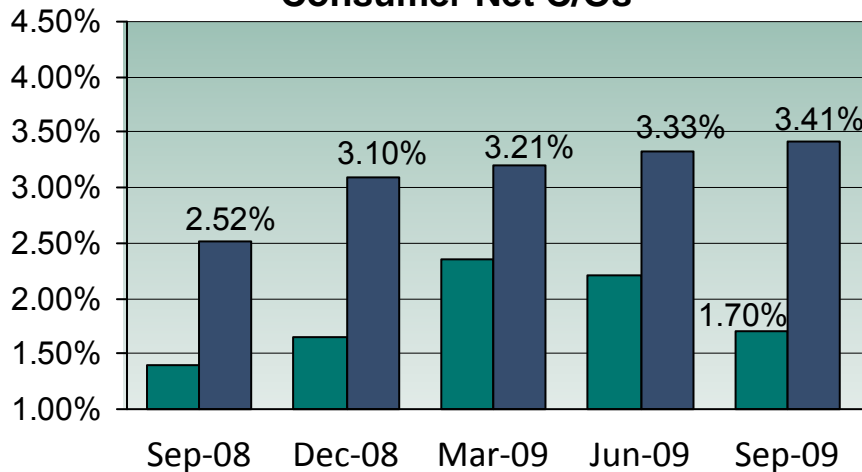
Business C&I Net C/Os



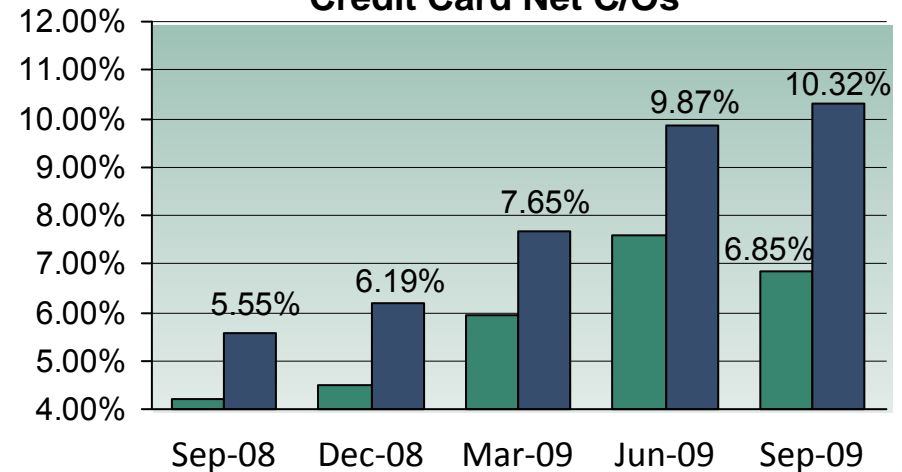
Commercial R/E Net C/Os



Consumer Net C/Os



Credit Card Net C/Os



STRATEGIC PRIORITIES FOR 2010

Capitalize on our position of strength

- Target high credit quality customers for loan growth
- Leverage and grow our payment systems capabilities
- Further penetrate the wealth customer segment
- Develop existing expansion markets
- Grow core deposit account base and expand revenue opportunities

Better manage our performance

- Adapt product set to changing regulatory environment
- Focus on productivity, cost control and expense management
- Sharpen risk management/risk based pricing
- Enhance data mining to execute on our super community strategy
- Manage our talent as a strategic asset

CORE COMMERCIAL

2009 Actual (in millions)

NIM	\$223
Non-interest income	53
Charge-offs	47
Operating expense	132
Pre-tax income	98
Loans (avg)	\$5,753
Deposits (avg)	\$2,716

2009 Highlights

- Increased pricing on new loans and renewing loans
- Flight to quality and zero rate environment led to deposit growth of 41%
- Benefited from competitors' distractions
- Growth in Tulsa, Denver and Cincinnati

2010 Challenges

- Generate loan growth in a deleveraging market
- Navigate evolving regulatory environment
- Weakened economy impacting credit quality
- Generate appropriate returns from new deposit growth
- Weakening commercial RE market

2010 Opportunities

- Loan growth from targeted segments
- Focused calling to target clients of weakened competitors
- Continuity of tenured, well-trained bankers
- Capitalize on changes in the payment system
- Continue to execute on expansion market strategies

CORE RETAIL

2009 Actual (in millions)

NIM	\$221
Non-interest income	130
Charge-offs	6
Operating expense	253
Pre-tax income	92
Loans (avg)	\$1,140
Deposits (avg)	\$8,285

2009 Highlights

- Core Deposits: Grew 6% while driving cost of deposits down
- Operating Expenses: Targeted focus yielded \$2.5M incremental savings
- Non-Interest Income: Strong results despite 10% decline in NSF/OD
- Continued industry-leading customer satisfaction

2010 Challenges

- Recent regulatory rulings require swift assessment and response for compliance
- Replacing NSF/OD revenue stream a priority
- Core checking model under assessment

2010 Opportunities

- Product enhancements
- Selective targeted marketing
- Focus on our people to increase production
- Spotlight on expense management
- Leverage strong value proposition and high customer satisfaction

MONEY MANAGEMENT

2009 Actual (in millions)

NIM	\$42
Non-interest income	115
Charge-offs	1
Operating expense	107
Pre-tax income	50
Loans (avg)	\$684
Deposits (avg)	\$1,981

2009 Highlights

- Asset management - Revenue down 4%, due to lower market values & interest rates; sales up 14% with strong retention (94%)
- Private banking - Revenue up 16%; loans flat, but deposits up 25% to \$1.1 billion
- Consolidated CTC direct expense down 1%

2010 Challenges

- Asset mgmt. fee income growth constrained by reductions in cash management fees
- Further declines in Private Banking loans
- Lower deposit growth rates as clients seek higher yielding alternatives

2010 Opportunities

- Continuation of strong growth in core asset mgmt. business
- Growing momentum of CTC cross-sales
- Strategic growth initiatives – Family Office, Institutional Trust segments and Brokerage Services, Inc.

BANK CARD

2009 Actual (in millions)

NIM	\$91
Non-interest income	72
Charge-offs	54
Operating expense	68
Pre-tax income	42
Loans (avg)	\$892
Deposits (avg)	\$5

2009 Highlights

- Focus on risk mitigation and loss containment in the Consumer Card portfolio (Losses of 6.8% remain 70% of industry average)*
- Commercial Card portfolio growth continues (Growth of 30.7% YOY)
- Competitive disruptions allowed for success in Agent Bank Program

2010 Challenges

- Consumer Card regulatory changes and required compliance
- Continued focus on credit quality
- Reduced consumer spending

2010 Opportunities

- Measured growth in Consumer Card balances to take advantage of favorable circumstances in the marketplace
- Build Merchant Services portfolio with a focus on Business-to-business spending
- Commercial Card expansion markets continuing to provide strong growth

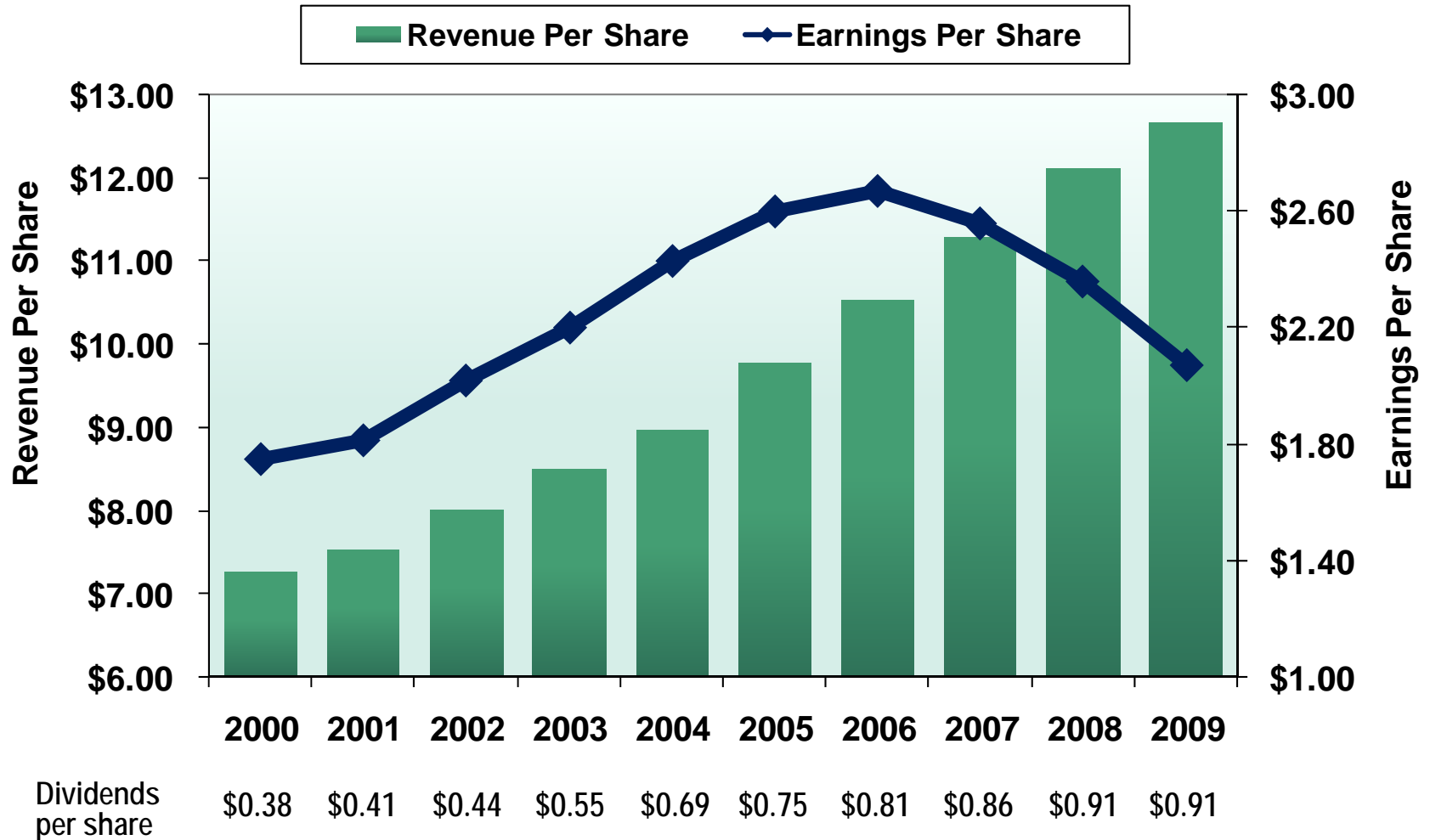
* Source: Visa IRKI

M&A POSTURE

- We are strategic buyers
- Focus on opportunities to round out our existing core footprint
- Augment expansion markets if strategic fits become available
- Consider opportunistic buys of distressed/FDIC banks

**CAPITALIZING ON OUR POSITION OF STRENGTH:
ORGANIC GROWTH IS PRIORITY ONE**

TOP LINE GROWTH IN A CHALLENGING EARNINGS ENVIRONMENT



*Restated for 5% stock dividend distributed on 12/15/09

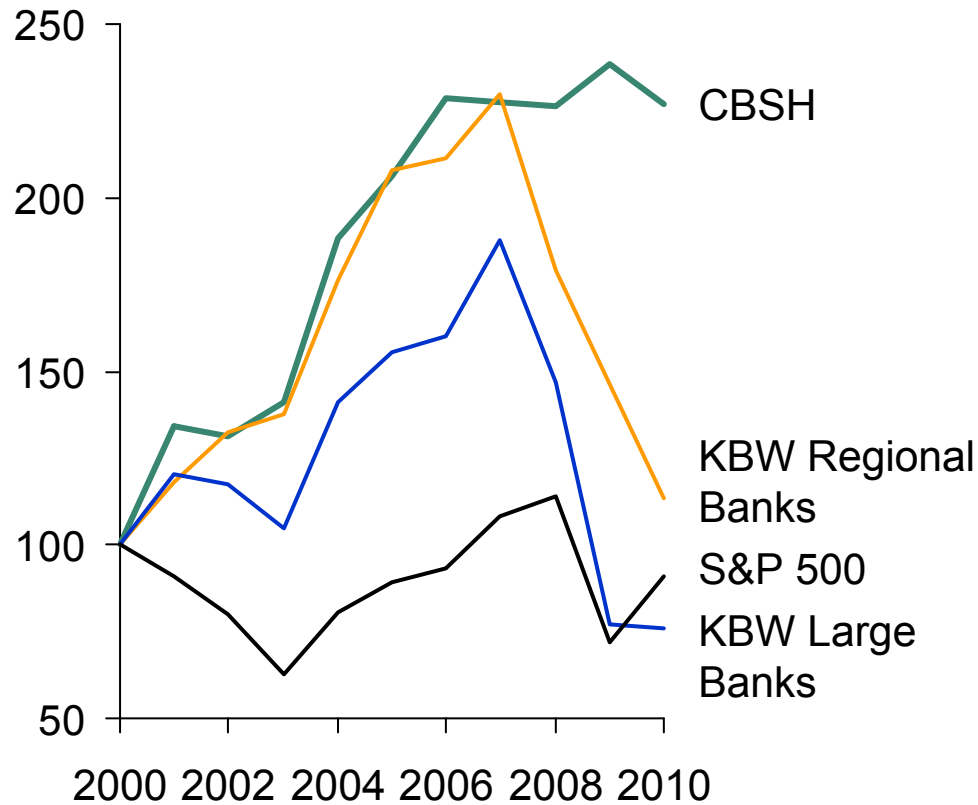
OUR POSITION IN 2010

- Core strategy of relationship business, leading with payment systems solutions translates into high customer satisfaction ratings
 - Our strong value proposition and conservative risk posture continues to attract new prospects
- Reduced economic activity and higher unemployment will stress our customers and communities
- Will be a difficult earnings environment for all companies, which will pressure market related fee income and net interest income
- Regulatory changes create challenges for bank earnings and existing business models
- Well positioned for the coming year
 - Strong and growing capital base – all common
 - Positioned to grow while many competitors focus on damage control

CONTINUING COMMITMENT TO SHAREHOLDER RETURN

Total shareholder returns*

Indexed, 1/1/2000 = 100



Annualized returns*			
Percent			
	3 yr	5 yr	10 yr
CBSH	0%	2%	9%
KBW Large Banks	(26)	(13)	(2)
KBW Regional Banks	(21)	(11)	1
S&P 500	(6)	0	(1)

* Assumes reinvested dividends
Source: Bloomberg