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COMERICA INC /NEW/
Form 11-K
June 30, 2003

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

Annual Report Pursuant to Section 15(d) of the

Securities Exchange Act of 1934

For the Fiscal Year Ended December 30, 2002

Commission File Number 33-42485

A. Full title of the Plan and address of the Plan, if different from that of the issuer named below:

COMERICA INCORPORATED PREFERRED SAVINGS PLAN

B. Name of issuer of securities held pursuant to the Plan and address of its principal executive office:

COMERICA INCORPORATED

Comerica Tower at

One Detroit Center

500 Woodward Avenue

Detroit, Michigan 48226

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INFORMATION FURNISHED WITH RESPECT TO THE PLAN

The following financial statements, notes to financial statements, consents and exhibits are included in this Report:

1. Financial statements for the Plan consisting of:

A. Report of Independent Auditors.

B. Financial Statements

1. Statements of Assets Available for Benefits as of December 30, 2002 and 2001.

2. Statement of Changes in Assets Available for Benefits for the Year Ended December 30, 2002.

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3. Notes to Financial Statements
- D. Supplemental Schedules to Financial Statements.
2. Consent of Independent Auditors.
3. Section 906 Certification of Period Report.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the administrator of the Plan has duly caused this Annual Report to be signed by the undersigned thereunto duly authorized.

Comerica Incorporated
Preferred Savings Plan

By: /s/ Carol H. Rodriguez

Carol H. Rodriguez
Vice President,
Corporate Counsel and
Assistant Secretary
Comerica Incorporated

Dated: June 27, 2003

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Name of Document

1. Comerica Incorporated Preferred Savings
Plan Financial Statements and Supplemental Schedules
as of December 30, 2002 and 2001 and Year Ended
December 30, 2002.
(Including Report of Independent Auditors).
2. Consent of Ernst and Young LLP.

Exhibits

99.1 Section 906 Certification of Periodic Report.

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FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

Comerica Incorporated Preferred Savings Plan

December 30, 2002 and 2001 and Year Ended December 30, 2002 with Report of
Independent Auditors

Comerica Incorporated
Preferred Savings Plan

Financial Statements and Supplemental Schedules

December 30, 2002 and 2001 and
Year Ended December 30, 2002

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Report of Independent Auditors

Employee Benefits Committee
Comerica Incorporated Preferred Savings Plan

We have audited the accompanying statements of assets available for benefits of the Comerica Incorporated Preferred Savings Plan (the "Plan") as of December 30, 2002 and 2001 and the related statement of changes in assets available for benefits for the year ended December 30, 2002. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's assets available for benefits at December 30, 2002 and 2001 and the changes therein for the year ended December 30, 2002, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedules of assets (held at end of year) as of December 30, 2002 and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Detroit, Michigan
May 30, 2003

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Comerica Incorporated Preferred Savings Plan

Statements of Assets Available for Benefits

	DECEMBER 30	
	2002	

ASSETS		
Investments, at fair value:		
Mutual and money market funds	\$ 122,110,720	\$ 2
Collective trust funds	167,015,973	
Comerica Incorporated common stock	194,380,609	2
Participant loans	19,005,399	
Corporate stocks	-	

Total investments	502,512,701	5
Accrued income	2,568,172	
Contribution receivable	2,066,000	

Total assets	\$ 507,146,873	\$ 5

See accompanying notes.

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Comerica Incorporated Preferred Savings Plan

Statement of Changes in Net Assets
Available for Benefits

Year Ended December 30, 2002

ADDITIONS	
Participant contributions	\$ 45,416,657
Employer contributions	8,429,449
Interest and dividend income	16,967,911

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Total additions	70,814,017
DEDUCTIONS	
Distributions to participants	36,469,052
Loan fees	103,719
Total deductions	36,572,771
Net depreciation in fair value of investments	(117,496,011)
Net decrease	(83,254,765)
Assets available for benefits:	
Beginning of year	590,401,638
End of year	\$ 507,146,873

See accompanying notes.

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Comerica Incorporated Preferred Savings Plan

Notes to Financial Statements

December 30, 2002 and 2001 and
Year Ended December 30, 2002

1. DESCRIPTION OF THE PLAN

The Comerica Incorporated Preferred Savings Plan (the "Plan") is a defined contribution plan covering all eligible employees of Comerica Incorporated (the "Corporation") and certain subsidiaries.

On January 29, 2001, the Corporation acquired Imperial Bancorp. As a result, the assets from the Employee Stock Ownership Plan of Imperial Bancorp and the Salary Investment Plan of Imperial Bancorp transferred to the Plan on August 31, 2001 and September 17, 2001, respectively. Participants in the Imperial Bancorp Plans became eligible to contribute to the Plan as of July 1, 2001.

Information about the Plan agreement, participants' investment alternatives and the vesting and benefit provisions is contained in the pamphlet "Comerica Incorporated Preferred Savings Plan." Copies of this pamphlet are available from the Corporation's Human Resources Office.

Participants may make annual contributions to the Plan on a pre-tax basis, not to exceed the lesser of 50% and 20% in 2002 and 2001, respectively, of the participant's annual compensation or the IRS allowed maximum (\$11,000, plus an additional \$1,000 for participants over 50 years of age, in 2002 and \$10,500 in 2001).

The Corporation will match a percentage of the first \$3,000 of the participant's pre-tax contributions, as defined by the Plan. In addition, the Corporation may make discretionary contributions based upon attaining certain corporate financial performance measurements. Both the Corporation match and discretionary contribution are invested in the Corporation's common stock.

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During 1999, the Plan was amended to add an Employee Stock Ownership Plan ("ESOP") provision to the Plan. Participants' investments in the Corporation's common stock, including vested corporate matching contributions, are held in an ESOP account and dividends earned on the stock are paid outside the Plan. Participants may elect to either reinvest the dividends in the Corporation's common stock within the Plan or receive the dividends as cash with their regular pay.

Contributions receivable represent amounts due from the Corporation under a performance match program, which rewards employees through a corporate contribution to the participants' accounts.

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Comerica Incorporated Preferred Savings Plan

Notes to Financial Statements (continued)

December 30, 2002 and 2001 and
Year Ended December 30, 2002

1. DESCRIPTION OF THE PLAN (CONTINUED)

Participants direct the investment of their accounts, except the nonparticipant directed investment in the Corporation's common stock, among the investment funds offered by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Prior to the 2002 plan year, all employer matches and employer contributions were made in Comerica Incorporated common stock and permanently held in a restricted Comerica Incorporated common stock account. At the beginning of plan year 2002, the Plan was changed to provide that these employer matches and employer contributions are to be held in a restricted Comerica Incorporated common stock account until the end of the calendar year, when the assets held in such account become vested and unrestricted and, therefore, eligible to be reallocated to other fund options. Approximately \$73.3 million of restricted common stock was transferred to unrestricted funds during the plan year ended December 30, 2002.

The Corporation has the right to amend or terminate the Plan at any time. In the event the Plan is terminated, all participants' accounts become fully vested and nonforfeitable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The fair values of the participation units owned by the Plan in mutual and collective trust funds are based on the net asset values on the last business day of the plan year.

Marketable securities are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

The fair value of investments in the Corporation's common stock is based on the last reported sales price on the last business day of the plan year as traded on the New York Stock Exchange.

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The participant loans are valued at their outstanding balances, which approximate fair value.

Administrative expenses incurred in connection with the operation of the Plan are borne by the Corporation, except for a \$10 per quarter loan fee paid by participants.

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Comerica Incorporated Preferred Savings Plan

Notes to Financial Statements (continued)

December 30, 2002 and 2001 and
Year Ended December 30, 2002

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. INVESTMENTS

The fair value of individual investments that represent 5% or more of the Plan assets at the end of the respective years are as follows:

	DECEMBER 30	
	2002	2001
Comerica S&P 500 Index Fund	\$ 78,030,248	\$ *
Munder Multi-Season Growth Fund	*	39,428,045
Munder Institutional S&P 500 Index Equity Fund	*	69,302,342
Comerica Investment Contract Fund	88,985,725	72,956,768
Comerica Incorporated common stock	194,380,609	270,243,519

* Less than 5%.

During 2002, the Plan's investments (including investments bought and sold, as well as held during the year) appreciated (depreciated) in fair value as follows:

Year ended December 30, 2002:	
Mutual and money market funds	\$ (59,090,371)
Collective trust funds	4,979,370
Common stock	(63,385,010)

	\$ (117,496,011)

=====

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Comerica Incorporated Preferred Savings Plan

Notes to Financial Statements (continued)

December 30, 2002 and 2001 and
Year Ended December 30, 2002

4. NONPARTICIPANT-DIRECTED INVESTMENTS

The following information represents the net assets and the significant components of changes in net assets related to the nonparticipant-directed portion of the Comerica Incorporated common stock investment.

	DECEMBER 30	
	2002	2001
	-----	-----
Investment, at fair value:		
Comerica Incorporated common stock	\$ 4,893,961	\$ 73,285
	=====	=====

	YEAR ENDED DECEMBER 30, 2002

Changes in net assets:	
Employer contributions	\$ 6,405,968
Interest and dividend income	107,173
Distributions to participants	(16,616)
Net depreciation in fair value of investments	(1,602,564)
Transfer of assets from restricted common stock account to unrestricted account	(73,285,735)

Decrease in net assets	\$ (68,391,774)
	=====

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Notes to Financial Statements (continued)

December 30, 2002 and 2001 and
Year Ended December 30, 2002

5. TRANSACTIONS WITH PARTIES-IN-INTEREST

The following is a summary of transactions (at cost) with parties-in-interest:

	COMERICA INCORPORATED COMMON STOCK	COMERICA INVESTMENT CONTRACT FUND	MUNDER CASH INVESTMENT FUND	MUNDER MULTI-SEASON GROWTH FUND	MUNDER S&P 500 INDEX FUND
Balance at December 31, 2000	\$ 167,008,995	\$ 62,500,364	\$ -	\$ 45,435,436	\$ 55,571,111
Purchases in 2001	32,889,722	28,305,779	52,851,097	4,628,387	3,511,111
Sales in 2001	19,409,454	13,215,099	52,851,097	7,136,215	58,651,111
Transfer to/from funds	-	-	-	-	(42,111,111)
Balance at December 30, 2001	180,489,263	77,591,044	-	42,927,608	55,571,111
Purchases in 2002	39,250,331	42,185,250	61,927,192	1,765,085	-
Sales in 2002	38,873,346	30,790,569	61,927,192	4,636,211	-
Transfer to/from funds	-	-	-	(40,056,482)	-
Balance at December 30, 2002	\$ 180,866,248	\$ 88,985,725	\$ -	\$ -	\$ 55,571,111

	MUNDER SMALL COMPANY GROWTH FUND	MUNDER EQUITY INCOME FUND	MUNDER LARGE CAP VALUE FUND	MUNDER U.S. GOVERNMENT INCOME FUND	MUNDER S&P 500 INDEX FUND
Balance at December 31, 2000	\$14,923,578	\$ 6,614,136	\$ -	\$ 7,296,467	\$ 55,571,111
Purchases in 2001	1,508,160	-	2,106,729	6,561,339	-
Sales in 2001	16,431,738	-	1,180,923	2,885,482	-
Transfer to/from funds	-	(6,614,136)	6,614,136	-	-
Balance at December 30, 2001	-	-	7,539,942	10,972,324	55,571,111
Purchases in 2002	-	-	1,808,156	8,743,124	-
Sales in 2002	-	-	1,543,629	4,018,779	-
Transfer to/from funds	-	-	-	-	-
Balance at December 30, 2002	\$ -	\$ -	\$ 7,804,469	\$ 15,696,669	\$ 55,571,111

COMERICA
S&P 500 INDEX
FUND

TOTAL

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Balance at December 31, 2000	\$	-	\$ 360,078,800
Purchases in 2001		-	209,564,899
Sales in 2001		-	180,690,659
Transfer to/from funds		-	-

Balance at December 30, 2001		-	388,953,040
Purchases in 2002		2,533,253	181,145,217
Sales in 2002		2,950,237	160,337,654
Transfer to/from funds		73,609,185	(31,237,106)

Balance at December 30, 2002	\$	73,192,201	\$ 378,523,497
=====			

The Munder mutual funds are managed by Munder Capital Management, a consolidated subsidiary of Comerica Incorporated.

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Comerica Incorporated Preferred Savings Plan

Notes to Financial Statements (continued)

December 30, 2002 and 2001 and
Year Ended December 30, 2002

6. TAX STATUS

The Plan has received determination letters from the Internal Revenue Service dated June 29, 1998 and December 1, 1998, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to the issuance of these determination letters, new provisions in the Code were made and the Plan was amended accordingly. The Plan has applied for but has not received a new determination letter from the Internal Revenue Service stating the Plan is qualified under the provisions of the Code. However, the plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

7. DIFFERENCES BETWEEN FINANCIAL STATEMENTS AND FORM 5500

Amounts allocated to withdrawn participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to year-end but not yet paid. Amounts allocated on Form 5500 to withdrawn participants at December 30, 2002 and 2001, respectively, were \$1,422,494 and \$1,866,414.

SUPPLEMENTAL SCHEDULES

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Comerica Incorporated Preferred Savings Plan

EIN: 38-1998421 Plan Number: 002

Schedule H, Line 4(i)--Schedule of Assets
(Held at End of Year)

December 30, 2002

IDENTITY OF ISSUE, BORROWER, LESSOR OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE
*Munder Mutual Funds	Institutional S&P MidCap Index Fund--820,613 shares Institutional S&P SmallCap Index Fund--33,555 shares Bond Fund--464,570 shares Large Cap Value Fund--599,046 shares US Government Income Fund--1,520,881 shares
Liquidity Plus	Money Market Fund--127,330 shares
AIM Funds	AIM Basic Value Fund--405,571 shares AIM Blue Chip Fund--936,619 shares AIM Balanced Fund--510,065 shares
Neuberger Berman	Genesis Fund--418,051 shares
Janus Funds	Janus Worldwide Investment Fund--293,800 shares
Federated Funds	Federated Growth Strategies Fund--288,418 shares
Franklin Investments	Franklin Rising Dividends Fund--519,784 shares
MFS	MFS New Discovery Fund--889,714 shares
Putnam Investments	Putnam International Growth--704,613 shares

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*Comerica Collective Trust Funds	Investment Contract Fund--88,978,227 shares S&P 500 Index Fund--10,614,339 shares	
*Comerica Incorporated	Common stock--4,497,662 shares	\$
*Participant Loans	Interest rate range: 6% to 10.5%, with various maturity dates	

TOTAL INVESTMENTS

*Party-in-interest.

** Disclosure of historical cost information is not required for participant-directed investments.

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Comerica Incorporated Preferred Savings Plan

Employer ID # 1998421
Plan # 002

Schedule H, Line 4j - Schedule of Reportable Transactions

For the Year Ended December 30, 2002

	DESCRIPTION OF ASSET (INCLUDING INTEREST RATE AND MATURITY IN CASE OF A LOAN)	PURCHASE PRICE	SELLING PRICE	LEA REN

Category (iii)--A series of transactions involving securities of the same issue which, when aggregated, involve an amount in excess of 5% of the current value of plan assets:				
Comerica Incorporated	Common Stock: 227 purchases 340 sales	\$ 39,250,331	\$ 57,516,692	

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	COST OF ASSET	CURRENT VALUE OF ASSET ON TRANSACTION DATE	NET GAIN (LOSS)

Category (iii)--A series of transactions involving securities of the same issue which, when aggregated, involve an amount in excess of 5% of the current value of plan assets:			
Comerica Incorporated	\$ 39,250,331	\$ 39,250,331	
	38,873,346	57,516,692	\$ 18,643,346

* The commissions and fees related to purchases and sales of investments are included in the cost of investment or proceeds from the sale and are not separately identified by the Trustee.

There were no category i), ii), or iv) reportable transactions.

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Consent of Independent Auditors

We consent to the incorporation by reference in the Registration Statements listed below, of our report on the financial statements and supplemental schedules of Comerica Incorporated Preferred Savings Plan dated May 30, 2003 included in this Annual Report on Form 11-K for the year ended December 30, 2002:

Registration Statement No. 33-42485 on Form S-8 dated August 29, 1991

Registration Statement No. 33-49964 on Form S-8 dated July 23, 1992

Registration Statement No. 33-49966 on Form S-8 dated July 23, 1992

Registration Statement No. 33-53220 on Form S-8 dated October 13, 1992

Registration Statement No. 333-00839 on Form S-8 dated February 9, 1996

Registration Statement No. 333-24567 on Form S-8 dated April 4, 1997

Registration Statement No. 333-50966 on Form S-8 dated November 30, 2000

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Detroit, Michigan
June 23, 2003

EXHIBIT INDEX

Exhibit No.

Description

99.1

Section 906 Certification of Periodic Report