



For more information, contact:

Leigh Akin

Amegy Bank N.A.

713.232.1433

leigh.akin@amegybank.com

**‘Tis a Reason to be Jolly—
Santa’s Stock Portfolio™ Is Jingling All The Way Down Wall Street!**

Amegy Bank of Texas and its investment analyst team provide an annual perspective on the U.S. Stock Market, focusing on the performance of the companies that fall into the consumer discretionary sector, where Santa would have special insight.

HOUSTON (December 13, 2006) Santa has reason to be rockin’ around the Christmas tree this year—his 2006 stock portfolio experienced a holly, jolly performance with a year-to-date return of 21.2%. While Santa’s portfolio featured stocks that were both naughty and nice, the majority of his stocks have been good, for goodness sake. So good, in fact, that Santa is ho-ho-hoeing all the way to Wall Street with a five-year average return of 18.8%.

Amegy Bank of Texas tracks the yearly performance of a hypothetical list of stocks Santa is likely to put on his wish list. While at times the stocks’ performance has been frightful, Santa’s portfolio has been delightful and has fared better than the market as a whole. As of December 8, the Dow Jones Industrial Average has increased 17% year-to-date, including dividends, while the S&P 500 and NASDAQ are up 14% and 11%, respectively.

“With early market intelligence coming from the avalanche of letters containing Christmas wish lists, no one knows better than Santa which toys, games, electronic gadgets and clothing will be popular year after year,” said Paul B. Murphy, CEO of Amegy Bank of Texas. “Because he wisely invests in many of these products and the stores that sell them, it’s no surprise that his investment portfolio is concentrated in discretionary consumer expenditure stocks.”

Which stocks were nice

At the top of the “nice list” this year, GameStop Corporation was up 81%, which can be attributed to the popularity of sales of video game hardware, software and accessories,

including this year's release of the Sony PlayStation 3 and the Nintendo Wii. And, what to Santa's wondering eyes should appear, but outperforming stocks such as Sears Holdings, up 50%, and Kohl's, up 46%. Sears capitalized on its merger with Kmart by selling gifts that bring cheer to the entire family and Kohl's is selling more than a few of our favorite things, as the company has become one of the fastest growing retail chains in the U.S.

One other company in Santa's sack that is shining brighter than Rudolph's nose is Mattel, up 43% this year. Part of Mattel's success can be contributed to the T.M.X. Elmo, which is one of the most requested items in letters to Santa. While Santa's elves were stocking his sleigh with T.M.X. Elmos, others were left looking, as the toy was eBay's number one searched-for item.

Other companies ringing in high performing stocks in Santa's portfolio included Walt Disney (43%), Hasbro (34%), Men's Wearhouse (31%), Nordstrom (31%) and Yum! Brands (28%).

"Obviously, it really is the most wonderful time of the year for Old St. Nick," added Murphy. "In addition to bringing joy to millions of children around the world, he can rejoice in knowing he's done quite well in the stock market this year."

Which stocks were naughty

On the opposite end of the spectrum, some companies featured performances that may be facing a lump of coal. One of the biggest losses was at Jos. A. Bank Clothiers, which was down 12% for the year. But, before Santa goes dashing through the snow, sales trends for the company have improved since plummeting mid-summer. Dell also has underperformed, down 12% for the year. Despite being one of the longest-standing stocks in Santa's portfolio, having been there since its inception five years ago, even Santa's holiday magic couldn't help Dell, which was hurt by a recall of battery packs and an SEC investigation.

Other stocks that may have gone down the chimney included Hershey (-8%) and Tractor Supply (-7%).

How Santa selected his portfolio

Like any smart investor, Santa sat down with Mrs. Claus and a mug of hot chocolate to review his stock portfolio at the beginning of 2006 before he settled down for his long winter nap. After making his list and checking it twice, Santa decided to replace entertainment content

manufacturer Midway Games with a more diversified entertainment company: the always child-friendly Walt Disney. He also substituted Toys R Us, which was taken private in 2005, with specialty video game and software retailer GameStop. Upscale retailer Neiman Marcus was taken private, so Santa turned to an old favorite, Kohl's, which he previously owned in 2002. The final addition to Santa's portfolio was Yum! Brands. As a busy world traveler on the go, Santa had noticed their growing world presence and their easy-to-access drive-thru for the sleigh.

It's beginning to look a lot like Santa knows what he's doing when it comes to investing. But boys and girls around the world don't have to worry—Santa has no plans of giving up his night job. He will be coming down the chimney for many more generations to come.

Santa's Stocks	YTD Return*
Apple Computer	22.8%
Best Buy	22.8%
Circuit City Stores	8.5%
Dell	-12.1%
Federated Department Stores	23.0%
GameStop	81.6%
Google	16.7%
Hasbro	34.2%
Hershey	-8.3%
iShares MSCI Emerg Mkts Index	26.8%
iShares S&P 500 Index	13.6%
iShares S&P MidCap 400 Index	10.5%
iShares S&P SmallCap 600 Index	15.4
Joseph A. Bank Clothiers	-12.7%
Kohl's	46.2%
Mattel	43.1%
Men's Wearhouse	31.7%
Nordstrom	31.3%
PetSmart	15.9%
Sears Holdings	50.7%

Tiffany & Co	3.8%
Tractor Supply Company	-7.2%
Wal-Mart Stores	0.2%
Walt Disney	43.5%
YUM! Brands	28.7%

*YTD Return as of 12/8/06

The information shown is offered in the spirit of the season, and is not intended to be a true and accurate measure of any investment portfolio, nor should it be used to predict the future performance of the companies mentioned, implied or otherwise. It is not an offer, solicitation or recommendation of any kind.

About Amegy Bank of Texas

Amegy Bank of Texas is one of the fastest growing banks in Texas. With assets of more than \$9 billion, local decision making and a history of relationship banking, Amegy has the resources to serve leading Texas companies as a source of capital as well as provide efficient and effective treasury management, international and investment services. The Bank, with more than 75 locations in the state, specializes in small business banking as well as private financial management and trust services for families and individuals, and retail and mortgage banking services. Amegy is a part of the Zions Bancorporation (NASDAQ: ZION) collection of great banks.

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