



Mercantil Banco Universal is Venezuela's leading bank in terms of savings deposits

Mercantil Servicios Financieros' deposits registered 19.2% year-on-year growth to Bs 45,118 million

- *Mercantil Banco Universal's loan portfolio in the agricultural, manufacturing, mortgage, tourism and microcredit sectors totaled Bs 10,337 million and accounted for 51.3% of its total loans at March 31, 2010.*

Mercantil Servicios Financieros, which is Venezuela's leading financial services company, announced its first quarter 2010 results today. Deposits registered 19.2% year-on-year growth to Bs 45,118 million, according to the Company's Corporate Communications unit.

Mercantil Servicios Financieros' total assets at the end of the first quarter registered 16.4% growth to Bs 56,645 million compared to March 31, 2009.

At March 31, 2010 Mercantil Servicios Financieros' registered a year-on-year 41.2% increase in net loans to Bs 28,524 million and Bs 1,439 million growth of its shareholders' equity to Bs 5,636 million.

The ratio of past-due and nonperforming loans to total loans is 3.6%. At Mercantil Banco Universal this indicator is 1.0%, compared with 3.3% for the Venezuelan financial system as a whole. Mercantil Servicios Financieros net income for the first quarter of 2010 was Bs 389 million.

The results for asset management services in Venezuela at the close of the first quarter of 2010 showed 28.4% growth to Bs 14,754 million assets under management compared to March 31, 2009.

Performance of the subsidiaries

The results of Mercantil's main subsidiaries, as shown below, are presented according to the accounting standards applicable to each of them in their corresponding jurisdiction.

At the close of March 2010, Mercantil Banco Universal registered year-on-year growth as follows: total assets 16.0% to Bs 36,944 million; net loans 46.8% to Bs 20,228 million; deposits 17.9% to Bs 31,979 million; and recorded Bs 3,569 million in shareholders' equity.

Mercantil Banco Universal complies with all the compulsory quotas set for the regulated portfolios. During this period the Bank registered Bs 10,337 million in loans to these sectors, representing 51.3% of its total loans at March 31, 2010.

At that date Mercantil Banco Universal was the leading institution in the Venezuelan financial system in terms of loans to the tourism, manufacturing and mortgage sectors, with 17.5%, 21.2% and 17.6% market shares respectively.

The first quarter 2010 results indicate that Mercantil Banco Universal's 20.4% market share makes it Venezuela's leading institution in terms of savings deposits.

The US subsidiary Mercantil Commercebank N.A. attained US\$ 6,011 million in total assets at the close of the first quarter of 2010, with US\$ 3,160 million and its deposits were US\$ 4,355 million, maintaining similar levels to those registered in the first quarter of 2009. Shareholders' equity was US\$ 660 million.

The information shows that Mercantil's loan portfolio provision was US\$ 11.9 million in the first quarter, substantially lower than the US\$ 18.2 million registered in the first quarter of 2009, mainly as a result of

the effort made to manage the portfolio and the slowdown in the rate at which real estate values in South Florida have fallen.

At March 31, 2010 Mercantil Seguros registered Bs 900 million in net collected premiums, up 44.7% compared to the close of the same period last year. Total assets were Bs up 42% to Bs 2,590 million compared to the end of 1Q 2009 and equity was Bs 693 million.

The information highlights the survey conducted by the *Great Place to Work Institute*® in the first quarter of 2010 which ranked the Mercantil Banco Universal and Mercantil Seguros subsidiaries as two of the fifteen best companies to work for in Venezuela. For the fifth consecutive year, Mercantil Banco Universal came tenth in the ranking. It was also the third time that Mercantil Seguros has been recognized in the survey in which it came ninth and was the only insurance company to have been included.

Mercantil is a financial services provider of banking, insurance and investment services in Venezuela that operates in 10 countries in the Americas, Europe and Asia. Its shares are listed on the Caracas stock exchange and its ADRs are traded over the counter in the United States. Its main subsidiaries are Mercantil Banco Universal, Mercantil Seguros and Mercantil Merinvest in Venezuela; Mercantil Commercebank in the USA and Mercantil Bank (Schweiz) AG in Switzerland. Mercantil is one of the world's 2,000 leading companies according to a survey by Forbes magazine (April 2009). For further information, please visit our website www.bancomercantil.com

**Corporate Communications unit
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