



Compared to June 2009

The loan portfolio of Mercantil Servicios Financieros registered 68.2% growth at the close of the first half of 2010

- *Mercantil's shareholders' equity grew 69.9% in the first half of 2010 compared to June 30, 2009.*
- *In the first half of 2010 Mercantil Banco Universal met all the statutory compliance minimums for loans to the agricultural, tourism, microcredit and manufacturing sectors.*
- *At the close of the semester, Mercantil had adapted 1,300 ATMs to the new chip technology*

Mercantil Servicios Financieros (Mercantil), Venezuela's leading financial services corporation, reported its 2010 semi-annual earnings which showed 68.2% year-on-year portfolio growth to Bs 37,177 million, according to its Corporate Communications Unit.

Mercantil, whose main subsidiaries are Mercantil Banco Universal, Mercantil Seguros and Mercantil Merinvest in Venezuela, and Mercantil Commercebank in the United States, achieved Bs 56,781 million in deposits, reflecting a 47.5% increase compared to June 2009.

The institution's assets totaled Bs 72,877 million, reflecting 50.2% year-on-year growth.

Mercantil registered Bs 7,532 million in shareholders' equity, 69.9% more than at June 30, 2009.

The report revealed that at the close of June 30, 2010 the allowance for losses on loan portfolio totaled Bs 1,185 million, mainly as a result of loan portfolio growth and higher provision in the agricultural, commercial and construction sectors in Venezuela, as well as increases in loan portfolio provisions for mortgages, construction and housing in the United States. The total allowance for loan portfolio losses accounts for 3.1% of Mercantil Servicios Financieros' gross loans.

Mercantil Servicios Financieros net income totaled Bs 1,341 million at the close of the first half of 2010.

The Investment Services business, which includes: trust fund, securities brokerage, mutual fund and portfolio management services, amounted to Bs 17,394 million at June 30, 2010, reflecting 45.0% year-on-year growth.

To comply with the statutory regulations in force, the Board of Directors of Mercantil will submit to the Ordinary General Meeting of Shareholders a merger project through which it would absorb its wholly owned subsidiary Holding Mercantil Internacional, C.A., which would be fully

and legally dissolved as a result of the merger. This merger is intended to increase the Company's efficiency and shall in no way affect Mercantil's financial statements.

Performance of the main subsidiaries

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

At the end of the first half of 2010, Mercantil Banco Universal's net loan portfolio totaled Bs 21,279 million, representing a year-on-year increase of 36.6%. It is the leading institution in the Venezuelan financial system in terms of loans to the tourism, manufacturing and mortgage sectors, with market shares of 18.7%, 20.1% and 16.6% respectively.

Mercantil Banco Universal is also the country's leading financial institution in terms of Savings Deposits with 19.9% of the market.

In the first half of 2010 Mercantil Banco Universal fulfilled the quotas it is required by law to comply with in the case of loans to the agricultural, tourism, microcredit and manufacturing sectors.

This subsidiary registered Bs 40,234 million in total consolidated assets, which reflects 22.9% growth over the first half of 2009 and an 11.1% market share, making it the country's third bank in terms of total assets. Mercantil Banco Universal registered Bs 4,224 million in shareholders' equity, 46.6% more than at June 30, 2009.

It should also be noted that Mercantil Banco Universal, the pioneering institution in chip technology in Venezuela, had adapted more than 1,300 ATMs to this technology, labeling them Intelligent ATMs with an orange sticker. Customers can now depend on these ATMs to make reliable, risk-free transactions with their debit and credit cards.

Mercantil Commercebank N.A., the subsidiary in the United States, posted US\$ 3.5 million in net income, registering profits for the third consecutive quarter. According to the report, the results obtained by this subsidiary include US\$ 6,435 million in total assets, 14.7% more than in the first half of 2009; US\$ 3,623 million in net loans and US\$ 4,480 million in total deposits, reflecting increases of 20.0% and 10.8%, respectively, compared to the first half of 2009. Mercantil Commercebank also registered 7.3% year-on-year growth of its shareholders' equity to US\$ 665 million.

At June 30, 2010 Mercantil Seguros recorded Bs 1,750 million in net collected premiums, 37.6% more than in the same period of last year; Bs 2,899 million in assets, representing 48.1% growth compared to June 2009 and Bs 201 million in net income. Mercantil Seguros registered Bs 835 million in shareholders' equity which meets the statutory solvency requirements in force.

Mercantil is a financial services provider 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

Caracas, August 2, 2010

Mercantil Corporate Communications