

Compared with the first half of 2010

## **The loan portfolio of Mercantil Servicios Financieros registered 31.5 % growth at the close of the first half of 2011**

- *Mercantil Banco Universal, its main subsidiary in Venezuela, recorded Bs 31,630 million in loans to individuals and loans to different production sectors in the country, with 15.0% of the market. It is the leading financial institution in Venezuela in this segment. It is also the market leader in terms of savings deposits.*

Mercantil Servicios Financieros (Mercantil) posted its 2011 semi-annual earnings which showed 31.5% year-on-year loan portfolio growth to Bs 48,889 million, according to the company's Corporate Communications Unit.

Mercantil, registered Bs 69,038 million in total deposits in the first half of the year, reflecting 21.6% year-on-year growth.

The assets of Mercantil Servicios Financieros reached Bs 87,599 million, which represents 20.2% growth compared to June 2010; while its shareholder's equity grew 21.3% to Bs 9,139 million over the same period.

Mercantil Servicios Financieros registered Bs 790 million in net income at the close of the first half of 2011.

Private Banking and Wealth Management comprise trust services, securities brokerage, mutual fund and portfolio management. At June 30, 2011 reached Bs 17,083 million.

### **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 2011, Mercantil Banco Universal's net loan portfolio totaled Bs 31,630 million, representing a 48.6% year-on-year increase. It is the leading institution in the Venezuelan financial system in terms of gross loans with a 15.0% market share. The bank is also the leader in loans to the tourism and manufacturing sectors with 16.3% and 17.8% of the market respectively.

The institution also meets all the requirements on compulsory portfolio quotas at the end of the first half of 2011 with regard to loans to the different production sectors.

It is important to note that loan portfolio quality remains favorable, with a ratio of Past-due and Nonperforming Loans to Gross Loans of 0.9%, compared to 3.1% for the Venezuelan financial system as a whole.

Mercantil Banco Universal, with a market share of 20.6%, is also the country's leading financial institution in terms of Savings Deposits.

This subsidiary's total assets reached Bs 53,695 million, reflecting 33.5% year-on-year growth. Mercantil Banco Universal's has Bs 4,903 million in equity, 16.1% more than at June 30, 2010.

The U.S. subsidiary Mercantil Commercebank N.A. registered US\$ 6,576 million in total assets, up 2.2% compared to June 2010; US\$ 3,869 million in net loans and US\$ 4,726 million in deposits, reflecting increases of 6.8% and 5.5% respectively compared with the first half of 2010. Mercantil Commercebank's equity was US\$ 671 million.

At June 30, 2011 Mercantil Seguros registered Bs 2,237 million in net collected premiums, representing a 27.8% year-on-year growth and Bs 3,929 million in assets. Mercantil Seguros registered Bs 1,066 million in shareholder's equity, which enabled it to meet the statutory solvency requirements in force.

*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 2000 leading companies according to a survey by Forbes magazine (April 2011). For further information, please visit our website [www.bancomercantil.com](http://www.bancomercantil.com)*

Caracas, August 3, 2011

**Mercantil Corporate Communications**