



Appointed by the Boards of Directors of Mercantil Servicios Financieros and Mercantil Banco

Gustavo Julio Vollmer assumes new role as president of Mercantil

- *The new president of Mercantil Servicios Financieros and Mercantil Banco Universal commended outgoing president Gustavo Marturet for his tireless efforts, his perseverance and exemplary commitment to Mercantil's principles and values.*
- *Gustavo Marturet, who will remain on the Boards of Directors of both institutions, thanked the shareholders for their confidence throughout the years and said that his greatest satisfaction is to have served the country, the depositors and the shareholders.*
- *The Ordinary Shareholders' Meetings of Mercantil Servicios Financieros and Mercantil Banco Universal approved the respective financial statements and management reports for 2010.*

As announced last February, the Boards of Directors of Mercantil Servicios Financieros and Mercantil Banco Universal during their meetings held yesterday approved the appointment of Gustavo Julio Vollmer as President of both companies. He succeeds Gustavo Marturet who had announced in October 2010 his retirement as President, in line with Mercantil's Succession Policy and following an extensive career with the organization which commenced in 1972.

Gustavo Julio Vollmer has been a member of Mercantil's Boards of Directors for 39 years and has held management positions in other institutions associated with the country's industrial, commercial and education sectors.

Mercantil's incoming President, Gustavo Julio Vollmer, in referring to Gustavo Marturet who had announced his retirement as President of Mercantil after leading the company for more than 30 years, recognized him as a great and persevering leader who has brought together a first-class team of professionals that has learned by his example the principles and values of the organization. It is those principles and values that have served as a guide for consolidating a world class financial services provider with presence in 10 countries and that make Mercantil a benchmark financial institution in Venezuela.

Addressing the Company's shareholders, Gustavo Marturet thanked them for their support during the long career he embarked on at Mercantil in 1972, and which he will continue as Director on the Boards of both institutions. He stressed the professionalism and commitment of everyone at Mercantil, saying "I have great faith in Venezuela and my greatest satisfaction is to have served the country, the depositors and the shareholders who have always placed their trust in us."

Shareholders approve financial statements and management reports for 2010

The Shareholders' Meeting of Mercantil Servicios Financieros, chaired by Gustavo Marturet, approved the financial statements and management report for 2010, reflecting Bs 79,383 million in Total Assets and Bs 8,513 million in Shareholders' Equity at the end of 2010. The equity/assets ratio of Mercantil Servicios Financieros at year end is 10.7% and its equity/risk-weighted assets 20.4%, according to the standards of the National Superintendency of Securities (Superintendencia Nacional de Valores - SNV). Net earnings in 2010 reached Bs 2,176 million.

The Net Loan Portfolio was Bs 42,928 million at December 31, 2010, with a 2.9% Ratio of Past-due and Nonperforming loans to gross loans, versus 3.3% at the close of 2009. Mercantil's Earnings Release, also shows 95.5% of its loan portfolio as outstanding at 31 December 2010 and a rise in the financial intermediation ratio to 71.1%.

The Deposits of Mercantil Servicios Financieros reached Bs 62,367 million, mainly due to the growing volume of customers' current and savings accounts in Venezuela.

The shareholders of Mercantil Servicios Financieros also approved dividends of Bs 3.00 per common share, to be paid as follows: two ordinary cash dividends payable on profits at December 31 2010, for each Class A and B outstanding share at the rate of Bs 0.32 per common share, payable on April 15 and October 20, 2011 respectively, and payment of an extraordinary cash dividend at the rate of 2.36 per common share, payable on May 10, 2011.

The Shareholders' Meeting also approved the proposal for the Twenty-third Phase of the Company's Stock Repurchase Program, the appointment of the Board members in keeping with the Company Bylaws, and the appointment of the Company's Statutory Auditors.

At the end of the Shareholders' Meeting, Alejandro González Sosa, Executive President of Mercantil Servicios Financieros, highlighted the growth of the Company's principal subsidiaries in Venezuela and abroad, emphasizing the significant levels of capitalization, liquidity and quality of Mercantil's portfolio.

Meeting of Shareholders of Mercantil Banco Universal

The Shareholders' Meeting of Mercantil Banco Universal was also held. Its management report shows Total Assets of Bs 46,271 million; Net Loans of Bs. 26,703 million; Deposits of Bs 40,280 million and Shareholders' Equity of Bs 4,583 million, at the close of 2010. Net earnings in 2010 reached Bs 1,361 million. At December 31, 2010 Mercantil Banco Universal is Venezuela's leading bank in terms of savings deposits with 20.1% of the market. The Bank has 273 offices nationwide, a network of 1,319 ATMs which have been adapted to chip technology, and 140 customer service points through the "Mercantil Aliado" network that offer products and services to the Majority Market.

The report presented to shareholders highlights Mercantil Banco Universal's significant market shares in the agricultural, manufacturing, mortgage (special mortgage debtor law), tourism and microcredit sectors: 13.4%, 18.6%, 14.7%, 14.3% and 10.6%, respectively.

Mercantil Banco Universal is the leading bank in Venezuela's financial sector in terms of loans to the manufacturing and mortgage sectors.

The Shareholders' Meeting of Mercantil Banco Universal approved an amendment to the Bylaws regarding the number of members of the Board of Directors, to bring it in line with the new laws on institutions within Venezuela's financial system.

The appointments of Pedro Reyes Oropeza as Ombudsman for Banking Services and Investments, and Gisela Felice Castillo as his alternate, were ratified and will be effective until December 1, 2012.

Nerio Rosales Rengifo, Executive President of Mercantil Banco Universal, expressed his satisfaction with the results obtained, especially with the quality and growth of the bank's loan portfolio, which enabled it to gain market share. He also referred to the effort to improve processes and efficiency, pointing out compliance with the regulatory percentages for compulsory loan portfolios.

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. In April 2010 Mercantil was ranked number 1,297 by Forbes on its Global 2000 list of the world's leading companies, making it the first Venezuelan company to be included there. Mercantil was also ranked number 291 in the survey of the Top 1000 World Banks published by The Banker in July 2010.

Mercantil Corporate Communications
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