



NEWS RELEASE

FOR FURTHER INFORMATION

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MERCANTILE BANCORP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2009	December 31, 2008
	(In Thousands) (Unaudited)	
ASSETS		
Cash and cash equivalents	\$ 127,381	\$ 89,821
Securities	206,349	194,097
Loans held for sale	8,909	4,366
Loans, net of allowance for loan losses	1,288,481	1,315,907
Premises and equipment	40,059	40,616
Interest receivable	8,626	10,240
Cash surrender value of life insurance	25,527	25,278
Goodwill	44,650	44,653
Other	<u>49,802</u>	<u>50,005</u>
Total assets	<u>\$ 1,799,784</u>	<u>\$ 1,774,983</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits	\$ 1,505,510	\$ 1,462,276
Short-term borrowings	54,374	49,227
Long-term debt	123,410	146,519
Interest payable	4,395	4,280
Other	<u>8,687</u>	<u>7,989</u>
Total liabilities	<u>1,696,376</u>	<u>1,670,291</u>
Total Mercantile Bancorp, Inc. stockholders' equity	<u>97,963</u>	<u>98,957</u>
Noncontrolling Interest	<u>5,445</u>	<u>5,735</u>
Total equity	<u>103,408</u>	<u>104,692</u>
Total liabilities and equity	<u>\$ 1,799,784</u>	<u>\$ 1,774,983</u>

MERCANTILE BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	March 31, 2009	March 31, 2008
	(In Thousands) (Unaudited)	
Interest Income:		
Loans and fees on loans	\$ 18,972	\$ 21,844
Securities:		
Taxable	1,713	1,795
Tax exempt	427	540
Other	91	345
Total interest income	21,203	24,564
Interest Expense:		
Deposits	8,862	11,813
Short-term borrowings	577	348
Long-term debt	1,537	2,204
Total interest expense	10,976	14,365
Net Interest Income	10,227	10,199
Provision for Loan Losses	3,180	4,769
Net Interest Income After Provision for Loan Losses	7,047	5,430
Noninterest Income:		
Fiduciary activities	651	690
Brokerage fees	238	416
Customer service fees	840	1,100
Other service charges and fees	259	200
Net (gains) losses on sale of assets	(13)	391
Net gains on loan sales	810	363
Other	469	593
Total noninterest income	3,254	3,753
Noninterest Expense:		
Salaries and employee benefits	6,707	6,901
Net occupancy expense	900	885
Equipment expense	794	774
Deposit insurance premium	832	105
Professional fees	635	575
Postage and supplies	336	301
Losses on foreclosed assets	128	504
Other	2,128	2,046
Total noninterest income	12,460	12,091
Income (Loss) Before Income Taxes and Noncontrolling Interest	(2,159)	(2,908)
Income Tax (Benefit)	(994)	(944)
Net Income (Loss)	(1,165)	(1,964)
Less: Net Income (Loss) attributable to Noncontrolling Interest	(289)	(287)
Net Income (Loss) attributable to Mercantile Bancorp, Inc.	\$ (873)	\$ (1,677)

MERCANTILE BANCORP, INC.
SELECTED FINANCIAL HIGHLIGHTS

	Three Months Ended	
	March 31, 2009	March 31, 2008
	(Dollars In Thousands except share data) (Unaudited)	
EARNINGS (LOSS) AND PER SHARE DATA		
Basic Earnings (Loss) Per Share	\$ (.10)	\$ (.19)
Weighted average shares outstanding	8,703,330	8,709,655
Cash dividends paid per share	N/A	\$.06
Book value per share	\$ 11.26	\$ 12.36
Tangible book value per share (1)	\$ 5.68	\$ 6.81
Ending number of common shares outstanding	8,703,330	8,709,655
AVERAGE BALANCES		
Assets	\$ 1,783,643	\$ 1,642,703
Securities	\$ 195,843	\$ 196,606
Loans (2)	\$ 1,329,208	\$ 1,219,962
Earning assets	\$ 1,621,848	\$ 1,461,841
Deposits	\$ 1,481,290	\$ 1,323,634
Interest bearing liabilities	\$ 1,531,075	\$ 1,386,461
Stockholders' equity	\$ 98,589	\$ 109,252
END OF PERIOD FINANCIAL DATA		
Net interest income	\$ 10,227	\$ 10,199
Loans (2)	\$ 1,319,334	\$ 1,224,103
Allowance for loan losses	\$ 21,944	\$ 17,127
PERFORMANCE RATIOS		
Return on average assets	(.20%)	(.41%)
Return on average equity	(3.60%)	(6.23%)
Net interest margin	2.52%	2.79%
Interest spread	2.36%	2.58%
Efficiency ratio	92%	87%
Allowance for loan losses to loans (2)	1.66%	1.40%
Allowance as a percentage of non-performing loans	43%	72%
Average loan to deposit ratio	90%	92%
Dividend payout ratio	N/A	N/A
ASSET QUALITY		
Net charge-offs	\$ 4,703	\$ 436
Non-performing loans	\$ 50,983	\$ 23,860
Other non-performing assets	\$ 10,261	\$ 5,123

(1) Net of goodwill and core deposit intangibles

(2) Loans include loans held for sale and nonaccrual loans

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