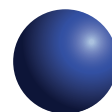


# Semester Report • First Half 2011

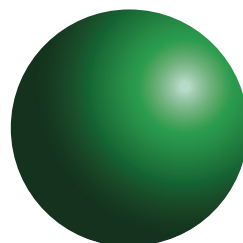


**Banesco**  
BANCO UNIVERSAL



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## Dear readers

We are pleased to present these results to our audience: more than 40 thousand shareholders, 6 million customers, 14 thousand employees, our suppliers, friends and related parties.

The first six-month period of 2011 has reported satisfactory results, ratifying our leadership in the local bank ranking.

Our results were leveraged by an efficient financial margin management, reaching 9.98% of the average gross asset in June 2011, 0.48 percentage points more with respect to the closing of the second half of 2010.

Furthermore, we are the first private bank in total assets (Bs. 55,586 million) and customers' deposits (Bs. 48,101 million), recording variations with respect to the previous period of 6.72% (Bs. 3,498 million) and 4.9% (Bs. 2,269 million), respectively.

Part of the efforts of this six-month period was focused on the growth of our loan portfolio, highlighting the following:

We closed the period with Bs. 31,741 million in net loans, with a market share of 15.3%, after a growth of 14.8% (Bs. 4,088 million) with respect to December 2010.

We are also the bank of reference for the financing of the agricultural activity, showing placements for Bs. 6,293 million

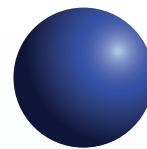
(14.8% of market share), represented in 1,066 loans in 2011. We are present in all the productive sectors of the country, we have settled 17,933 microloans during the course of this year, closing such portfolio with Bs. 1,364 million (first place in the market) with a share of 17.3%.

The commercial loan showed a net balance of Bs. 7,825 million, equivalent to a market share of 10.6% in the system.

The vehicles portfolio amounts to Bs. 1,692 million, after an increase of 41.7% during the course of this year and a share of 13.6%.

We continue supporting the development of the tourism activity, through loans for the construction, supply and equipment of service renderers in their different modalities, recording placements for the period for Bs. 692 million, obtaining a share of 18.5% in the banking system.

The significant trajectory of Banesco Banco Universal as the first private bank of the country addressing the growing demand of mortgage credits is reinforced with the work conducted during the first six-month period of this year, by recording loans with funds from the Mandatory Housing Savings Fund (FAOV) for Bs. 3,880 million, thus contributing with 75,961 credits granted to 304 thousand



people. The mortgage portfolio by the closing of the first six-month period presented a balance of Bs. 2,283 million represented by 12,894 loans granted with these funds to approximately 51 thousand people.

It is important to highlight the support provided to the national manufacturing activity, by placing Bs. 2,508 million, which represents a market share of 12.1%, with more than 500 loans settled during 2011.

The foregoing results were also generated by the maintenance of adequate management indices, such as the equity adequacy ratio, 10.15% at June 2011 closing, which is over the minimum ratio legally required (8%).

The goals for the period not only cover the Bank's financial management, but multiple and different initiatives undertaken for the ultimate purpose of satisfying the needs of our clients and related parties.

We are also pleased to inform you that during the Ordinary Stockholders' Meeting held on March 28, 2011 the figure of Banesco Client and User Defender was ratified, which facilitates the attention for the process and resolution of customers' and users' claims.

We also celebrated the fifth year of operations of Banca Comunitaria Banesco,

**The goals for the period not only cover the Bank's financial management, but multiple and different initiatives undertaken for the ultimate purpose of satisfying the needs of our clients and related parties.**



which has served more than 150,946 people. Banesco's initiative to render financial services and products to individuals with minimum banking activity and small business owners in popular areas has granted 86,359 microloans since 2006.

The best acknowledgement for our Banca Comunitaria is having contributed to the materialization of the goals that our customers have achieved thanks to their efforts.

Additionally, we officially announce the availability of the application Banesco Móvil for ipads, smart phones and devices that can be downloaded free of charge for iOS operating Systems (iPad, iPhone and iPod Touch), Android and for Blackberry Playbook. The application was already available for Blackberry devices since last year. The fact of reaching more than 100 thousand downloads of BanescoMóvil application just few weeks after launching the campaign in the Social Networks, caused that RIM International, through its representative in Venezuela Synergy Global Business, named us as an example of Success Case in Venezuela.

In compliance with current regulations, Banesco allocated Bs. 64.4 million during the six-month period to contributions required to the Banks, mainly to the

Contingency Social Fund, Social Contribution for Communes, the Antidrug National Fund and the Science and Technology National Fund.

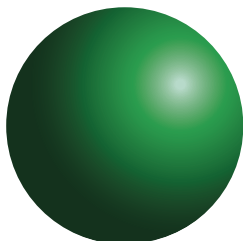
These short introductory lines are not enough to show all our achievements. However, I would like to refer to our Business Social Responsibility work, which has made us to invest Bs. 14,340,800 in this first six-month period of 2011, accumulating since 1998 the amount of Bs. 199,994,044, in different projects and initiatives aimed at providing more Venezuelans with education and health.

In the following pages, you will find further details of the activities conducted by Banesco community during the first six months of the year. We are aware that our achievements respond to the efforts and commitment of our Banesco people.

We ratify before you our promise to continue working to achieve new and higher quality standards.

**JUAN CARLOS ESCOTET RODRÍGUEZ**

CHAIRMAN OF THE BOARD OF DIRECTORS

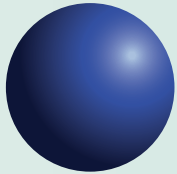


## Financial Highlights

Stated in Million VEF	First Half 2009	Second Half 2009	First Half 2010	Second Half 2010	First Half 2011	GROWTH			
						I Half 2011 I Half 2010		I Half 2011 II Half 2010	
						Absolute	%	Absolute	%
<b>TOTAL ASSETS</b>	<b>37,980</b>	<b>43,066</b>	<b>42,684</b>	<b>52,087</b>	<b>55,586</b>	<b>12,902</b>	<b>30.2%</b>	<b>3,499</b>	<b>6.7%</b>
Cash and Due from Banks	9,475	11,611	11,284	17,345	13,710	2,427	21.5%	-3,635	-21.0%
Security Investments	6,635	5,983	5,011	4,782	8,016	3,005	60.0%	3,234	67.6%
Credit Portfolio	19,958	22,739	24,589	27,654	31,741	7,153	29.1%	4,087	14.8%
<b>DEPOSITS FROM CLIENTS</b>	<b>33,326</b>	<b>37,763</b>	<b>37,175</b>	<b>45,832</b>	<b>48,101</b>	<b>10,926</b>	<b>29.4%</b>	<b>2,269</b>	<b>5.0%</b>
Deposits in Current Accounts	17,534	19,913	21,947	28,241	32,389	10,442	47.6%	4,149	14.7%
Savings Deposits	5,636	6,800	6,557	8,445	8,014	1,457	22.2%	-430	-5.1%
Time Deposits	3,500	21	3	11	68	65	2268.1%	58	545.1%
Other Deposits	6,656	11,029	8,668	9,136	7,630	-1,039	-12.0%	-1,507	-16.5%
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>3,113</b>	<b>3,598</b>	<b>3,809</b>	<b>4,235</b>	<b>4,880</b>	<b>1,071</b>	<b>28.1%</b>	<b>646</b>	<b>15.2%</b>
<b>TRUST ASSETS</b>	<b>6,155</b>	<b>6,020</b>	<b>6,656</b>	<b>7,180</b>	<b>7,521</b>	<b>865</b>	<b>13.0%</b>	<b>341</b>	<b>4.7%</b>
<b>DEBTOR ACCOUNTS DUE TO TRUST ASSIGNMENTS (FAOV)</b>	<b>2,890</b>	<b>3,376</b>	<b>3,879</b>	<b>4,401</b>	<b>4,942</b>	<b>1,062</b>	<b>27.4%</b>	<b>541</b>	<b>12.3%</b>
Financial Revenues	2,561	2,588	2,689	2,986	3,410	721	26.8%	424	14.2%
Financial Expenses	1,268	1,174	901	794	734	-167	-18.5%	-60	-7.5%
Gross Financial Margin	1,293	1,414	1,788	2,192	2,676	888	49.7%	484	22.1%
Financial Intermediation Margin	1,559	1,772	2,215	2,455	2,843	628	28.4%	388	15.8%
Transformation Expenses	1,176	1,312	1,603	1,856	2,039	436	27.2%	183	9.8%
<b>NET INCOME</b>	<b>290</b>	<b>322</b>	<b>403</b>	<b>503</b>	<b>610</b>	<b>207</b>	<b>51.3%</b>	<b>107</b>	<b>21.3%</b>
<b>ACCUMULATE AGRICULTURE PORTFOLIO</b>	<b>3,373</b>	<b>3,816</b>	<b>4,525</b>	<b>5,350</b>	<b>6,293</b>	<b>1,768</b>	<b>39.1%</b>	<b>943</b>	<b>17.6%</b>
<b>OFFICIAL INSTITUTIONS DEPOSITS</b>	<b>2,805</b>	<b>2,820</b>	<b>3,159</b>	<b>3,517</b>	<b>4,209</b>	<b>1,050</b>	<b>33.2%</b>	<b>691</b>	<b>19.7%</b>
<b>MICRO LOANS</b>	<b>798</b>	<b>1,004</b>	<b>1,112</b>	<b>1,375</b>	<b>1,364</b>	<b>252</b>	<b>22.7%</b>	<b>-11</b>	<b>-0.8%</b>
<b>COMMERCIAL LOANS</b>	<b>5,601</b>	<b>6,431</b>	<b>6,165</b>	<b>6,237</b>	<b>7,825</b>	<b>1,660</b>	<b>26.9%</b>	<b>1,588</b>	<b>25.5%</b>
<b>CREDITS TO CONSUMER</b>	<b>6,908</b>	<b>6,950</b>	<b>8,242</b>	<b>8,912</b>	<b>10,077</b>	<b>1,836</b>	<b>22.3%</b>	<b>1,166</b>	<b>13.1%</b>
Vehicles	590	666	822	1,194	1,692	870	105.9%	498	41.7%
Credit Cards	6,318	6,283	7,420	7,718	8,385	965	13.0%	668	8.7%
<b>MORTGAGE LOANS</b>	<b>2,606</b>	<b>3,271</b>	<b>3,720</b>	<b>4,123</b>	<b>4,540</b>	<b>821</b>	<b>22.1%</b>	<b>417</b>	<b>10.1%</b>
<b>RATIOS</b>									
Loan Portfolio Provisions / Non Accrual Loans	106.3%	112.6%	188.9%	186.2%	171.8%				
Non Accrual Loans/ Gross Loan Portfolio	1.9%	1.9%	1.5%	1.3%	1.4%				
Net Results / Average Assets	1.6%	1.6%	1.9%	2.1%	2.3%				
Net Results / Average Equity	19.0%	19.2%	22.0%	23.6%	26.5%				
Liquidity	42.2%	41.1%	37.7%	43.2%	41.5%				

## Call

**BANESCO  
BANCO UNIVERSAL, C.A.**  
Stock Capital  
Bs.F. 1,250,000,000



By order of the Board of Directors and pursuant to articles 10, 12 and 27 (2) of the Bylaws, the stockholders of Banesco Banco Universal, C.A. are hereby called to a Regular Stockholders' Meeting to be held on September 26, 2011, at 8:00 AM, in Auditorium Fernando Crespo Suárez, Piso 3 (third floor) of Edificio Ciudad Banesco (Banesco headquarters), located in Avenida Principal de Bello Monte, between Calle Lincoln y Calle Sorbona, of the city of Caracas, in order to discuss and resolve the following matters:

**FIRST:** Upon revision of the Board of Directors' report and the comptrollers' report, approval of the independent auditors' report on the Financial Statements for the six-month period ended June 30, 2011.

**SECOND:** Dividend decree with charge to the first half of 2011 income.

**THIRD:** Upon approval of the foregoing, modification of article 35 of the Bylaws.

**FOURTH:** Appointment of controllers for the period 2011-2012 and allocation of their remuneration.

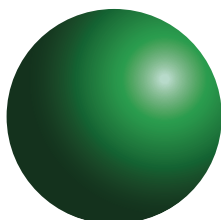
**On behalf of the Board of Directors**

**Juan Carlos Escotet Rodríguez**  
*Chairman of the Board of Directors*

**Note:** Known all stockholders by these presents that the Board of Directors' report, the comptrollers' report, the audited financial statements, as well as other reports and proposals to be discussed in the Stockholders' Meeting, will be available to you at the offices located in Edificio "Ciudad Banesco", Avenida Principal de Bello Monte, between Calle Lincoln y Calle Sorbona, Urbanización Bello Monte, of the city of Caracas, Piso 3 (third floor), Legal Vice Presidency.

Caracas, August 31, 2011

RIF: J-07013380-5





## The Venezuelan Economy during the First Half of 2011



### Gross Domestic Product (GDP)

The economy showed recovery signs during the first six-month period of 2011, having the Gross Domestic Product a growth of 3.6%, after two years of contraction.

The economy's performance was leveraged by the general increase in the majority of the activities, by causing an increase of 32.4% in the public expenditure during the first six-month period of 2011.

The non oil activity showed an increase of 4.0% during the first six-month period of current year, highlighting the favorable evolution in the commercial and manufacturing activities, which recorded an increase of 8.1% and 4.6%, respectively, contributing with 1.4 points out of 3.6 points of growth of the Consolidated GDP.

Other sectors that significantly contributed with the expansion of the period were as follows: Communications, with 12 consecutive six-month periods of growth (+7.0%); transport and warehousing (+5.9%), benefited by the rise of 31.0% of non oil imports and services rendered by the General Government (+5.5%), resulting from the increase in the public expenditure.

The only activities that recorded a negative behavior within the non oil GDP were the construction sector by decreasing 4.3% and other sectors that mainly include the agricultural activity, which had a decrease of 1.1%.

The oil activity was mainly unchanged by showing an increase of 0.1% with respect to the first six-month period of 2010, due to the maintenance of oil production levels.

With respect to the manufacturing sector, we observe that its main activity, the manufacturing of food, beverages and tobacco increased 2.6% due to the increase in the demand of its products, while other activities experienced a higher growth, namely: manufacturing of chemical substances and products (+2.6%), edition, printing and type recording (+12.3%), paper and paper products (+18.7%).

### Aggregate Demand

The expansion of the public expenditure during the first six-month period of 2011 was reflected in its growth of 6.7% evidenced by the Government's final consumption expense, which served as an incentive for the growth of 3.1% expe-

### Activities

	I Q-11	II Q-11	I S-11	I S-10
Consolidated	4.8%	2.5%	3.6%	-3.2%
Petroleum activity	-0.5%	0.8%	0.1%	-0.7%
Nonpetroleum activity	5.3%	2.8%	4.0%	-3.1%
Mining	2.0%	3.6%	2.8%	-11.8%
Manufacturing	8.2%	1.3%	4.6%	-6.4%
Electricity and water	3.0%	7.3%	5.2%	4.7%
Construction	-7.3%	-2.3%	-4.3%	-7.3%
Trade and repair services	9.5%	6.8%	8.1%	-9.0%
Transport and storage	7.3%	4.8%	5.9%	-7.0%
Communications	7.9%	6.2%	7.0%	8.6%
Financial institutions and insurance	5.1%	9.0%	7.1%	-12.2%
Real Estate, entrepreneurial and renting services	4.1%	2.9%	3.5%	-1.6%
Non-profit-making private services and community, social and personal services	4.1%	4.3%	4.2%	-0.1%
General Government services	7.6%	3.6%	5.5%	1.3%
Rest 1/	0.2%	-2.2%	-1.1%	-0.7%
Less: Fisim 2/	4.8%	9.0%	6.9%	-10.3%
Net taxes on products	7.6%	2.4%	4.9%	-7.1%

1/ Includes: Private agriculture, private hotels and restaurants and various public activities.

2/ Financial intermediation services indirectly measured. Source: Central Bank of Venezuela



rienced by the private final consumption expense after a contraction of 3.1% in the same period of 2010.

Regarding investments, we observed a drop in the gross fixed capital formation of 1.0%, thus accruing 4 consecutive six-month periods of setback; however, it shows improvement with respect to the drop of 12.2% recorded in the first six-month period of 2010. The stock variation was 69.2%, observing an increase in the inventory level, due to the rise in imports.

Thus, the internal aggregate demand showed an increase of 6.2%, after a drop of 7.2% in the same period of 2010.

### Payment Balance

The payment balance recorded a deficit of US\$ 2,403 million during the first six-month period of 2011, although the checking account presented a surplus of US\$ 16,526 million, fostered by exports which reached US\$ 45,912 million, due to the increase in the oil prices, which averaged 98.2 US\$/b in such term. Additionally, exports reached US\$ 21,417 million.

The deficit in the payment balance was due to the capital account, which continued showing a significant deficit balan-

ce of US\$ 17,488 million, mainly affected by flows in the account "other investments" (US\$ 22,691 million), due to increases in public external assets for US\$ 21,203 million, which according to the issuer corresponds to increases in foreign deposits of Fondo Chino, Fonden and PDVSA.

### Inflation

During the first six-month period of the year, the National Consumer Price Index (NCPI) recorded a slowdown by reaching 13.0%, while in the same period of last year, it reached 16.3%. The decrease in the inflationary pace was mainly due to the behavior in the price of food and nonalcoholic beverages, main items of the basket, which increased 13.0%, 10.7 percentage points under the inflation recorded in the same period of last year (23.7%).

According to BCV, the slowdown of inflation in food and nonalcoholic beverages was related to moderate increase in the fruits, milk, cheese, eggs and vegetables, which after showing an increase of 73.9% in the first six-month period of 2010 due to the dry season that affected the crops, presented a decrease of 2.9% for the same six-month period of 2011.

Other groups that showed a slowdown in their pace were: alcoholic beverages and tobacco (21.7% to 16.8%), communications (4.0% to 2.5%), leisure and culture (15.5% to 10.6%), restaurants and hotels (15.3% to 14.5%) and housing services (6.3% to 3.3%). On the other hand, the following captions had an acceleration: clothing and shoes (6.3% to 8.6%), rental of houses (5.5% to 6.4%), home appliances and furniture (13.7% to 14.8%), health (13.7% to 16.0%), transport (16.8% to 17.1%), sundry goods and services (14.9% to 16.3%) and education services (6.9% to 8.7%).

Additionally, inflation indices had a variation over the general index to reach 14.5%.

The undersupply index reached 12.4% during the first half of 2011, which is lower than 13.9% observed in the same period of 2010 and significantly lower than the levels shown in the first six-month period of 2008, when it reached 18.3%. Also, the diversity index improved 10.2% with respect to the first six-month period of 2010, from 137.6 to 151.6.

Inflation for the last 12 months reached 23.6%,

## INTERNATIONAL RESERVES

By June 2011 closing, international reserves (excluding FEM) amounted to US\$ 28,537 million, decreasing US\$ 963 million in the six-month period, mainly due to foreign currency settlement by BCV (US\$ 13,420 million) and the two transfers made to Fondo de Desarrollo Nacional (National Development Fund) (Fonden) on January 14 and February 18 for US\$ 1,000 million each.

Available International reserves reached US\$ 6,507 million, equivalent to 1.9 months of imports, while total reserves would serve for 8.4 months of imports.



being the inflation of June 2010 of 31.3%.

### Employment

Average unemployment rates for the first-six month period remained unchanged with respect to the same term of 2010, by reaching 8.8%

Labor force participation had an increase of 194 thousand people, 178 thousand out of which are employed, obtaining a semiannual average of 12 million (+1.5%), while the remaining 16 thousand increased the average of unemployed people in the six-month period in 1.4%, obtaining 1.2 million.

5.2 million out of the 12 million of employed people work in the informal sector, reaching the informal economy rate 42.7%, at the closing of the period, which represents a significant improvement with respect to the 44.0% observed in June 2010.

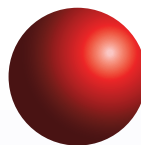
### Money Supply

The expansion of the public expenditure, increased economic dynamism and a flexible monetary policy by the Central Bank

of Venezuela, caused that monetary liquidity (M2) had a significant increase of 15.0% during the first six-month period of current year, which had not been observed since 2006.

In this sense, M2 amounted to Bs. 335.7 thousand million, mainly due to sight deposits that increased 24.0% (+Bs. 43.4 thousand million), while the increase in saving deposits was 8.0% (+Bs. 5.1 thousand million) and time deposits 16.7% (+Bs. 1.7 thousand million). Additionally, the balance of outstanding coins and bills decreased 18.3% (-Bs. 6.6 thousand million), which is in line with the seasonal behavior of this variation.

The monetary base presented a contraction of 1.7% during the period, by amounting to Bs. 124.1 thousand million, hence, the liquidity increase was explained by the increase in the monetary multiplier factor, to the extent that customers' preference ratio for cash and reserves decreased, the first due to the seasonal behavior of cash balances and the latter for the decrease in the legal reserve from 23% to 17% by the end of 2010.

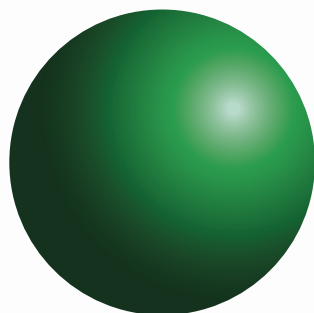


### BANKING SYSTEM

During the first six-month period of 2011, the trend was towards a highest concentration, i.e. a market with fewer participants. Currently, the system is comprised of 37 institutions, 25 out of which belong to commercial and universal banks, covering 67.6% of the market. The remaining 12 institutions represent the Banks subjected to special regulations for development and investment. If compared to 2010 closing, the number of banks was reduced in 11.9%, as a result from the liquidation of Bancoro, BanValor, Anfico, Casa Propia and the cease of operations of Royal Bank.

The system's restructuring, intensified in the last two years, had generated an increased level of competitiveness, improving the financial service for customers, leveraged by significant technology developments and providing more security during transactions.

By virtue of market restructuring, a significant number of customers migrated to operating banks, consequently diversifying their segments, which caused the restructuring of policies and strategies to



### INTEREST RATES

The significant increase in monetary liquidity during the first six-month period of the year, contributed to the decrease in interest rates within a context that has benefited the growth in the loan portfolio.

The average lending rate of the financial system was 17.57%, observing a decrease of 0.7 percent with respect to the same period of 2010. In connection with borrowing rates, savings rates remained unchanged in 12.58%, while the 3-month time deposit rate decreased 0.3 percentage points, from 14.97% to 14.67%.

cover that market share in deposits, loans and number of customers, in private and public institutions.

The system recorded a growth of total assets for Bs. 68,108 million, closing the period with Bs. 471,197 million, observing an increase in the gross loan portfolio of 12.8% (Bs. 28,099 million) with respect to December 2010 and 25.4% if compared to the same period of previous year, closing June 2011 with a balance of Bs. 219,552 million.

Such increase was accompanied by an improvement in the default index in 0.37 percentage points, to reach 3.1%.

Regarding the breakdown of the portfolio depending on the utilization of credits, loans oriented towards productive sectors are highlighted, which contributed with more than the half of the growth (68.6%) of loans in the first six-month period of 2011, equivalent to Bs. 17,819 million.

The agriculture portfolio continues to be the portfolio with more growth in the directed portfolios, with Bs. 8,189 million, followed by the manufacturing portfolio (+Bs.

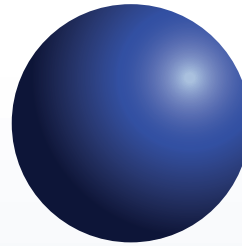
4,468 million), mortgage portfolio (+Bs. 3,915 million), microloans (+Bs. 1,053 million) and tourism portfolio (+Bs. 194 million).

It is important to mention the increase in commercial credits (+Bs. 6,628 million), credit cards (+Bs. 2,971 million) and vehicle financing (+Bs. 683 million).

Investment securities had an increase of 25.9% (Bs. 24,149 million), mainly due to transactions with National Public Debt Bonds and Securities.

In connection with liabilities, we observed that for the first six-month of 2011, customers' deposits amounted to Bs. 373,439 million, after a variation of 14.9% (Bs. 48,543 million with respect to 2010 closing and 32.8% (Bs. 92,225 million) if compared to the same period of the previous year, mainly due to the increase in checking accounts.

When analyzing its composition based on the origin of funds, 24.0% is generated by official entities, while by December 2010 closing, it represented 20.9%, increasing



its balance in Bs. 15,949 million, as indicated in the Bulletin of the Superintendence of Banks and Financial Institutions (Sudeban).

The consolidated balance of the system shows a net result of Bs. 5,524 million for a return on assets of 2.57%.

We should mention the increase in the system's capitalization, whose index increased to 10.27% in June 2011, showing an increase of 0.5 percentage points during the period under review, and considering the increase of 15.5% observed in the stockholders' equity, by reaching Bs. 40,582 million. Loan intermediation remained with values similar to previous periods, closing in 55.60%.

By the end of the first six-month period of current year, the Central Bank of Venezuela decreased in 3 percentage points the portion that financial institutions place as reserves before the regulator (from 17% to 14%), funds that will be used for the financing of the social project of house constructions.



**It is important to mention the increase in commercial credits (+Bs. 6,628 million), credit cards (+Bs. 2,971 million) and vehicle financing (+Bs. 683 million).**

## Banesco Banco Universal



**In commercial  
loans, we presented  
a balance of Bs. 7,825  
million, corresponding  
to 44,655 loans  
granted**

**W**e ended the first-six month period of the year as one of the most important private banks of the country, reinforcing our excellence trajectory in granting loans and management of funds from third parties, among other important captions. We are also the first private bank in total assets (Bs. 55,586 million), recording a market share of 11.8% in the system, experiencing an increase of approximately Bs. 13 thousand million with respect to the same period of previous year.

On loan matters, we closed the period with a gross portfolio amounting to Bs. 32,510 million (14.8% market share), after recording a growth during the first six-months of the year of 14.71% (Bs. 4,169 million) and 28.5% (Bs. 7,211 million) with respect to June 2010, settling more than 83 thousand loans during the course of the year.

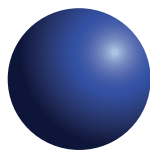
The following aspects should be highlighted from the evolution of our portfolio:

- ▶ The increased contribution of directed portfolio, obtaining in one year 1.88 percentage points to represent 44.9% of the gross portfolio, by closing in Bs. 14,608 million.
- ▶ Strengthening of actions aimed at promoting the tourism sector of the country, directly offering to the interested parties, financial solutions to their individual needs, activity that we have accompanied with our presence in Tourism Technical Tables organized by MINTUR,



where technical and financial advisory is offered to touristic projects. Also, for the close of the first half of 2011, we recorded placements for Bs. 692 million.

- ▶ Regarding mortgage matters, we reached at the closing of the period 8.06% of compliance, by placing Bs. 2,283 million, distributed in Bs. 1,978 million corresponding to the long-term mortgage loan portfolio and Bs. 305 million in short-term and construction mortgage loans.
- ▶ The significant contribution to the development of the country's agricultural sectors with placements for Bs. 6,293 million, thus maintaining the first place in the banking system with participation over 14%.
- ▶ The placement of Bs. 2,508 million in the manufacturing portfolio, which represents more than 500 settled loans, obtaining a compliance of 8.85%.
- ▶ We closed the period with a compliance percentage in the microloan portfolio of 4.81%, thus exceeding the goal of 3% established in this period, with an amount in the portfolio of 364 million (1st. place of the banking system), represented by 18 thousand credits settled.
- ▶ In commercial loans, we presented a balance of Bs. 7,825 million, corresponding to 44,655 loans granted.
- ▶ We recorded the highest growth in the automotive sector, Bs. 498 million



(41.7%), placing us in the first financing options for new vehicles, equivalent to 4,678 new settled loans, with a portfolio by June 2011 closing of Bs. 1,692 million.

- The Credit Card Portfolio presented a balance of Bs. 8,385 million, leveraged by the preference of our customers, as a result from high levels of acceptance, benefits, promotions and alliances. The portfolio is mainly used for the financing of consumptions in the following commercial categories: food, retail sales, airlines, communications, hypermarkets and clothing stores.

Engaged as we are with strengthening our position in all the segments demanding financing, we will continue working on the development of the national economy, enhancing the perception of our customers as the best market alternative to timely satisfy their particular needs and requirements, thus maintaining our north to loan intermediation, whose ratio reached in June 2011 a level of 65.99%, higher than the system's average in 10.4 points.

We also have to highlight an excellent quality portfolio, with one of the lowest fixed portfolio over gross portfolio ratio of the market (1.38%).

The referred to increase in loans along with the increase in investment securities for Bs. 3,234 million, also improved the ratio productive asset over total assets in almost 2 percentage points with respect to the same period in 2010.

The favorable management in assets was possible due to the preference of our customers, by ending the first period of this year as the private bank with more customer deposits (Bs. 48,101 million), which represented an increase with respect to the same period of 2010 of 29.4% and 4.9% during the year.

Such increase was mainly supported by the performance of checking accounts, ratifying our leadership in the private banking, by recording an increase of 14.7% (Bs. 4,149 million) in the last six-month period, attributed to interest-bearing checking accounts in 17.4% (Bs. 2,677 million).

We also report an increase of Bs. 341 million (4.75%) in trust assets, generated by the long and significant trajectory in Banesco, reaching in June 2011 Bs. 7,521 million, which places us in 2nd. place of the private banking.

38.6% of the funds correspond to Collective Trusts (Bs. 2,906 million), 16.6% to Administration Trusts (Bs. 1,248 million), 18.0% to Guarantee Trusts (Bs. 1,352 million), 22.2% to Investment Trusts (Bs. 1,667 million), and 4.6% to Combined Trusts (Bs. 348 million).

During the period, 82 new trust funds were incorporated, totalizing 6,211 plans, 3,620 out of which correspond to Administration Funds, 1,630 to Collective Funds, 935 Investment Funds and 26 to Guarantee Funds.

The results for the period are related to an effective management of loans

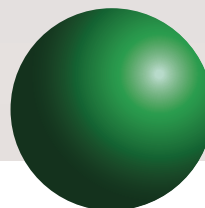
and deposits, making our gross financial margin one of the highest in proportion to assets within the financial system.

The statements of operations for the period reached Bs. 610 million, Bs. 107 million higher than the result shown in the second six-month period of 2010 and Bs. 211 million if compared to the same period of last year.

The ratio of personnel expenses and administrative expenses over the average productive asset was slightly below the ratio observed in the first six-month period of 2010, to finally improve in 0.4% the level of accumulated ROA by reaching 2.32%.

Last but not least, the capitalization of Banesco Banco Universal during the period under review, amounting total equity to Bs. 645 million (+15.2%), which represents the third highest increase in the system by reaching an equity sufficiency index of 10.15% by June 2011 closing, higher than the average of commercial and universal banks (9.90%) and very similar to the system (10.27%), thus maintaining over the minimum equity sufficiency ratio required by Law (8%).

The Total Capital Adequacy Index, calculated as Equity over Assets and Contingent Operations, weighted based on risk, reached 17.05% during the closing of the period, exceeding the legally required Capital Adequacy Index (12.00%).



# Statutory Auditors' Report

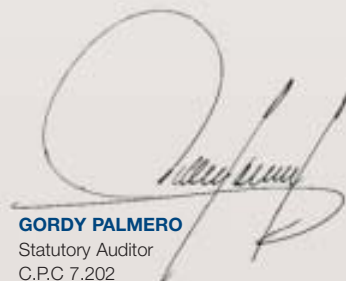
SIX-MONTH PERIOD ENDED JUNE 30, 2011

## Stockholders of **BANESCO BANCO UNIVERSAL, C.A.** By hand

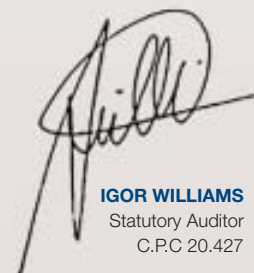
1. In conformity with the appointment of the Statutory Auditors at Ordinary Stockholders' Meeting of the Bank held on March 28, 2011, and pursuant to the provisions of Articles 304, 305 and 309 of the Code of Commerce, in conformity with the Bank's Bylaws and Interprofessional Standards for the execution of Statutory Auditors functions, we have reviewed the balance sheet of Banesco Banco Universal, C.A., as of June 30, 2011, and the related statements of income and appropriation of net income, changes in stockholders' equity and cash flows for the six-month period then ended. During the period under review, two (2) Stockholders' Meetings were held: one (1) Ordinary Stockholders' Meeting and one (1) Extraordinary Stockholders' Meeting, both on March 28, 2011.
2. Our review was based on the audit conducted by the Independent Auditors Márquez, Perdomo & Asociados (Crowe Horwath International), which issued the audited financial statements on August 12, 2011, corresponding to the six-month period ended June 30, 2011. Additionally, we conducted an analysis on the financial statements, selective tests on the accounting records and any other procedure that we deemed necessary in view of the circumstances.
3. As a result from our evaluation of the administrative management performed by the Bank's Board of Directors, we would like to indicate the following:
  - 3.1. Through our review based on the audit of the external auditors, on the loan portfolio, we determined that the provisions maintained by the Bank for Loan Portfolio and Interests Receivable from the Loan Portfolio are reasonable.
  - 3.2. Based on the results of our review, we determined that the Bank's Investment Portfolio is valued and presented in conformity with the standards established by the Superintendence of Banks and Financial Institutions (hereinafter referred to as SUDEBAN).
  - 3.3. As of June 30, 2011, the Bank maintains for Other Assets, a provision for Bs. 64,002,220, and during the six-month period under review write offs for Bs. 111,768,819 were conducted, corresponding to items that were fully provisioned. According to our analysis, and based on the results obtained

by the Independent Auditors, we consider that the provision maintained by the Bank for Other Assets is reasonable and meets the parameters established by SUDEBAN.

4. During the period under review, we did not observe any violation to the Bylaws or Law by the Directors. During the review of the Board of Directors' Minutes, we did not observe any dissenting vote.
  5. In connection with provisions of Article 310 of the Code of Commerce, the Bank's stockholders did not file any claim during the period under review.
  6. During the six-month period ended June 30, 2011, the Bank decreed cash dividends for Bs. 150,000,000, to be paid to common shareholders, based on the payment schedule approved and Bs. 30,291,389 to preferred shareholders payable in three portions on May 15, August 15 and November 15, 2011, respectively.
- Consequently, and based on the Report of the Independent Auditors Márquez, Perdomo & Asociados (Crowe Horwath International), issued on August 12, 2011, on the balance sheet as of June 30, 2011, and on the related statements of income and appropriation of net income, changes in stockholders' equity and cash flows for the six-month period then ended, in our opinion, the accompanying financial statements subjected to our review present fairly, in all material respects, the financial position of Banesco Banco Universal, C.A., as of June 30, 2011, and the results of its operations and appropriation of net income, changes in stockholders' equity and cash flows for the six-month period then ended, in conformity with the accounting standards established by SUDEBAN.
7. Based on the foregoing, we recommend the stockholders to approve the financial statements of Banesco Banco Universal, C.A., corresponding to the six-month period ended June 30, 2011, submitted by the Board of Directors, as well as its administrative management.



**GORDY PALMERO**  
Statutory Auditor  
C.P.C 7.202



**IGOR WILLIAMS**  
Statutory Auditor  
C.P.C 20.427



# Management Report



## Human Capital

In Banesco, we strive to optimize the social-economic benefits of our employees to improve their labor conditions. The main part of the Organization's success is supported by the quality and skills of its human capital. Therefore, during our Social Responsibility initiatives we constantly seek to enhance the life quality of our employees, through the design of benefit programs providing, beyond economic incentives, support to employees and their family group, always focused on a higher performance and merits.

During the first half of 2011, we reinforced current programs and undertook new initiatives aimed at fostering the development of our employees through strategies in line with international best practices, as well as a better life quality.

### Extreme Contingency Fund

Since we always concern for the health and welfare of our employees and their families, on June 8, 2011, we offered an additional free benefit to our employees, namely the Extreme Contingency Fund, which has a sole coverage of Bs. 2,000,000 for each beneficiary and direct relative (spouse and children) covered by

our Health Insurance Policies to cover the health expenses generated by the following contingencies:

- ▶ Brain diseases, including strokes and neoplasm.
- ▶ Cardiac surgery and angioplasty.
- ▶ Cancer treatment, including chemotherapies, radiotherapies and hormone therapy.
- ▶ Transplants of organs and human tissues.
- ▶ Major trauma (multiple fractures), including rehab.
- ▶ Chronic Renal Disease (dialysis).
- ▶ Major burns.
- ▶ Major sepsis

### Tu Casa con Banesco (Your Own Home with Banesco)

For the purpose that all Banesco Citizens have their own house, we maintain the Program "Tu Casa con Banesco". We have invested Bs. 46,445,170 of own resources and Bs. 13,385,433 of funds from the Mandatory Housing Savings Fund (FAOV) in this initiative.

Also, we continue granting loans for house acquisition and down payment for the reserve of properties, which are paid by our employees with years of services. During the first six months of the year, we granted 134 loans for Bs. 2,415,609.

### Planeta Banesco (Banesco Planet)

Between the second six-month period of 2010 and the beginning of this year, we developed the incentive program "Planeta Banesco", aimed at promoting the achievement of goals and objectives, rewarding the effort, commitment and dedication of 1,500 Banesco Citizens with trips to different destinations.

### Permanent Development

For the purpose of developing our human talent, we implemented the "360° Skills Diagnosis", with the participation of approximately 13,500 employees. The foregoing initiative will allow us to:

- ▶ Know the strengths and weaknesses of our employees based on the profile of their positions.
- ▶ Obtain basic information to design the Individual Development Plan, for closing



For the purpose of  
promoting the excellence  
in the knowledge, integration,  
development and motivation  
of our employees, we  
conducted 254 workshops  
for 5,541 people



gaps and enhancing gained skills, which will allow employees to apply for suitable vacancies in the organization.

- Obtain the information required for the preparation of training and development plans for our human capital.

Regarding the Training Program, during the first six-month period, we offered our executives different courses aimed at developing the following competencies *Capacidad para integrar equipos de alto desempeño* (Training for integration of high-performance teams), *Orientación al cliente* (Customer Training) and *Pensamiento estratégico* (Strategic Planning).

Additionally, and for the purpose of promoting the excellence in the knowledge, integration, development and motivation of our employees, we conducted 254 workshops for 5,541 people, which totalized 52,349 men/hours. The subjects addressed were: Banking Law, Banesco Values and Ethic Code, Profitability and Staff Management.

In compliance with legal regulations, we delivered lectures to promote the

Lopcymat, Resolution 209-08 of the Superintendence of Banks and Financial Institutions (Special Treatment to Disabilities, Senior and Pregnant individuals), and Money Laundering Prevention.

### Cafeteria and Transportation between Facilities

Approximately 2 thousand employees per day enjoy the allowance granted by the organization for the cafeteria located at Ciudad Banesco, also offering, effective this year, the service of transportation between facilities, for the purpose that employees of El Rosal facilities can use this service in a safe and easy manner.

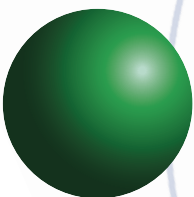
### Comprehensive Prevention Plan

The purpose is to enhance the life quality of our employees, provide a better use of their leisure time and prevent the use of alcohol, cigarettes and other drugs through the development of sport, cultural and recreation activities.

- We carried out the Sports Journeys “Sin Drogas sí se Puede” (You Can Do It without Drugs) in all national territory, with

the participation of 2,830 employees and 1,510 relatives.

- We organize weekly sport and leisure activities (Dancing, Tae-boxing and Yoga) at the facilities of Ciudad Banesco, with the participation of more than 200 employees.



## CORPORATE VOLUNTEERS

During the period, 210 voluntary hours were incurred with our Social Partners (Fundana, Red de Casas Don Bosco, Instituto Universitario Jesús Obrero of Fe y Alegría and Venezuelan Red Cross).

Additionally, our Corporate Volunteers in Caracas, Maracaibo and Barquisimeto invested 874 man/hours in training activities, specifically, in Human Rights Workshops and educative skills for children with medical conditions.

## Marketing and Innovation

### **BANESCO CONTIGO** **(Banesco with you)**

Always searching for a better approach with our customers and the community, Banesco evolves in its brand positioning, synthesizing its slogan and approaching us to our audiences through powerful words: "With you".

Banesco Contigo ratifies our spirit of being present and support our customers in the most relevant moments of their lives.

Banesco Contigo is also more time to live, through the most recent remote banking solutions for our customers to be always communicated at any moment and at any place.

### **Marketing 2.0**

#### **Rostro Banesco (Banesco Face)**

Banesco has new faces to communicate in the 2.0 environment!

Through an innovative contest Rostro Banesco, we offered the public the possibility of participating through the social networks and live the experience of becoming the image of these digital spaces.

Hundreds of videos, a lot of creativity, multiple conversations, the participation of a jury comprised of well-known personalities, the 57% increase of our fans in Facebook, 17% increase of followers in Twitter, the discovery of a group of talented boys and girls to participate as ambassadors of our brand in this new exchange space made of this initiative a big success among digital communities.



#### **Campaña Cuentos y Fábulas en 140 Caracteres** **(Tales and Stories in 140 Characters Campaign)**

This campaign is oriented towards the community interested in writing and reading, participating in the social networks. @Banesco, official account of Banesco Banco Universal in Twitter, launched the contest "Cuentos y Fábulas en 140 caracteres". In order to participate, twitters should follow @Banesco and write from their accounts a tale or story by using 140 characters.

### **INNOVATION TAILORED TO OUR CUSTOMERS**

In Banesco we constantly look for mechanisms that allow us to differentiate in the market with innovative, easy mechanisms contributing to efficiently handling our technological platform.

#### **New Banesco Service:** **Citas + Carpetas** **(Appointments + Binders)**

Banesco.net is a technology infrastructure that allows us to develop a leading-edge portal platform.

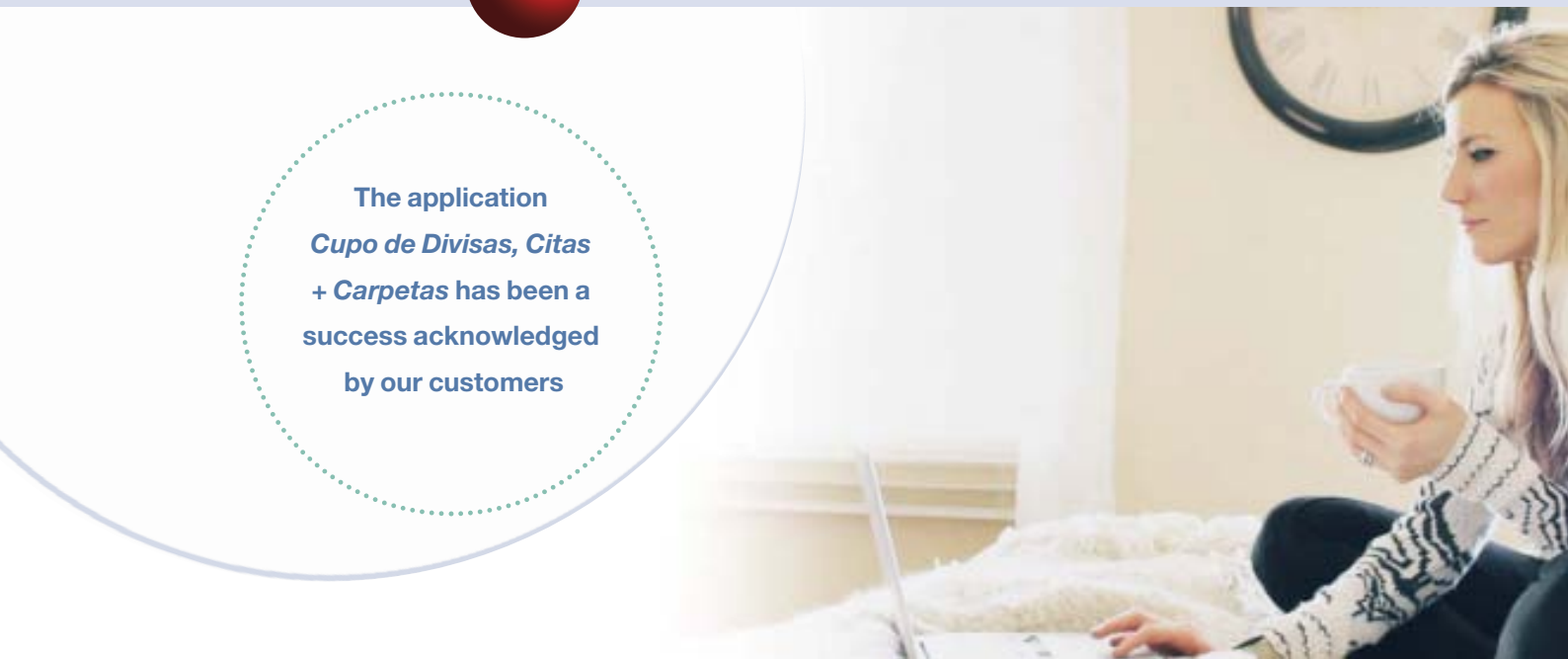
The first deliverable of this project was the Mobile Bank. The foregoing allowed the implementation of the first technology components of this portal platform.

In April this year, we released the application *Cupo de Divisas, Citas + Carpetas* (Foreign Currency Quota, Appointments + Binders), which exploits the facilities of Cloud Computing in the application layer, using these new platforms.

Among the advantages of these technologies are the following:

- Cost efficient environments.

**The application**  
***Cupo de Divisas, Citas***  
***+ Carpetas* has been a**  
**success acknowledged**  
**by our customers**



- The technological platform can be rapidly increased or decreased based on customers' demand and application.

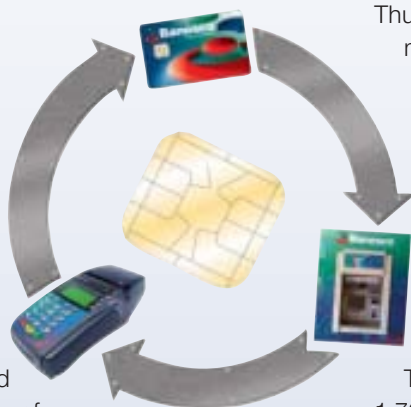
The application *Cupo de Divisas, Citas + Carpetas* has been a success acknowledged by our customers who recognize its easy utilization and simplicity of its technological proposal.

By means of this innovative proposal leading the Venezuelan market, customers choose their appointments to request foreign currency at their convenience. Also, the system prints all the documentation required by CADIVI, for purposes of arriving to the agency with all set.

This service is available to request foreign currency for traveling abroad, through credit cards and cash, as well as the request of foreign currency for Internet purchases.

### New Chip Technology

Ratifying our technology leadership aimed at guaranteeing safe transactions, during the first six-month period of 2011 and supported by mass marketing strategies, through 2.0 platforms, we started the introduction process of Banesco chip debit and credit cards.



Thus, we offer our customers the security ring, inviting them to use their chip cards in the point of sales and ATMs that operate with this new technology, in order to guarantee 100% safe transactions.

To date, more than 1,700,000 Debit Cards and more than 419,352 Credit Cards have been replaced, by promoting the change of the rest of the customers with the campaign *¡Aún tienes Tiempo!* (There's Still time!). Regarding the migration of devices to the Chip Technology, we have migrated 40,194 devices, which translates into a progress of 86%.



**BANESCO**  
**Contigo y con el Planeta**  
**(Banesco with you and the Planet)**

Banesco, in its line of an Eco Enterprise, ratifies its commitment to the environment, and therefore, this year it participated in *La Hora del Planeta Venezuela*, (Venezuela Planet Time) on March 26, from 8:30 p.m. to 9:30 p.m. Accordingly, the lights of its main administrative offices were turned off: Ciudad Banesco and Torres El Rosal. Banesco also launched an internal campaign to strengthen the commitment of Banesco Citizens to the planet preservation, as a social responsibility.

To date, more  
 than 1,700,000 Debit  
 Cards and more than  
 419,352 Credit  
 Cards have been  
 replaced







### **The best technology for the service of the Organization and its Customers**

During the first quarter of the year, we continued implementing the best international practices in the IT Management through the implementation of ITIL Configuration Process.

ITIL refers to an international best technology practice, which guides organizations as to the best cost-efficient form of organizing technology services.

This process will allow efficiently controlling the assets and elements that form part of Banesco technological platform. It also provides reliable and updated information as to the components required to execute the business processes, allowing for the development of highest quality information services.

Furthermore, it will improve the identification of impacts due to the changes in the platform as well as the resolution of events and implementation of solutions in a fast and safe manner. Through this process we continue implementing the best international practices from IT management.

We continue incorporating functions for our customers to spend more time living and less time at the bank.

### **Call Center**

- ▶ Client affiliation and Movistar payment and recharge affiliation
- ▶ Consultation of credit card limits
- ▶ Authorization of Platinum and Premium trees in 0500BANCO24, leaving the services applicable to these call centers only
- ▶ Automation of travel agencies authorization service
- ▶ Automatic DC blocking via the IVR technology
- ▶ Provisional DC blocking (Virtual Lock)

### **New Developments in Payment Methods**

1. Widespread application of new functionalities in E-payment:
  - ▶ Pre-validation of Payment Files and Pre-validation Response Message.

**We continue  
incorporating functions  
for our customers to spend  
more time living and less  
time at the bank.**



## Quality Management

- Document Manager (consultation of the document sent until it is processed).
- Change of Value Date to documents sent.
- Messaging of reminders of documents pending approval.
- Messaging of rejection and approval notifications.
- Pre-visualization of payment files prior submission of summary and itemization of the information sent.

### 2. Implementation and widespread application of new functionalities:

- Self-transfer/Overnight for Payment Files (Payroll and Suppliers).
- Creation of a directory in DataEntry to make payments and collections.
- Self-management for unblocking secondary users.
- It does not depend on a physical card for the system.
- Service affiliation form from the Web.

### COMPREHENSIVE MEASUREMENTS: CUSTOMER SATISFACTION VS SERVICE QUALITY

In order to progress in the positioning of Banesco brand in the financial market, standard management indicators were generated in client voice programs and follow-up of core service chains/processes, which are used as measurements for business areas, segments, and channels that converge in its facilities and are consolidated in the Service Quality Topic Committee, the general function of which is related to the monitoring of the offer adjusted to the market needs through KPI (Key Performance Indicators), in agreement with the bank's requirements, the regulations, and the market competitiveness.

From January to July 2011, the periodic program aimed to monitor the service and the needs of clients/users of the agency network was implemented, resulting in high levels of satisfaction: Agency Service Audits

(90 audited agencies nationwide) reaching a Management Efficiency of 92.9% and Agency Users' Satisfaction of 8.6/10 points (2,420 Banesco clients polled).

Measurements were established as to the service responsiveness and availability, considering that the final quality is supported by the commitment of the areas involved and the internal teamwork.

Proofs of these thorough controls are evidenced in the ISO 9001:2008 re-certification granted by Company Bureau Veritas to the Quality Management of the Vice Presidency of Corporate Intelligence of Banesco Banco Universal. This accomplishment shows how important are quality and customer satisfaction measurements for the organization.

The indicator control is a main part of the system that enables tracking the entire product development chain and guarantees the high reliability of the information provided and compliance thereof with international quality standards.

### 3. Pilot implementation of new functionalities programmed for 2011:

- Consultation of consolidated account statement: Allows users with the Account Statement service to check online the

balance available of total accounts organized by company.

- Improvements in the consultations of Approval Model Administration.

### BanescOnline

- Data update
- Credit card activation
- Securities
- Credit query and payment
- Payment of due credit installments and cancellations
- Query of promissory note and agricultural loan in the option
- Credit query
- Appointments + CADIVI Binders
- Credit Functionalities (partial and total repayment)





## Business Management



### INDIVIDUALS

During the first half of 2011, the performance of the Executive Vice Presidency of Individuals was mainly focused on increasing the contribution of the segment through an increase of the assets and liabilities, the default supervision, and a progressive decrease of the cost of the interest-bearing liability, in order to ensure a value offer to clients, considering service quality and specialized consultancy as basic qualities.

At period close, the total deposits of the EVP of Individuals represent 15.6% of the total liabilities of the Bank, thus evidencing a significant improvement in the commingling of funds as a result of the increase in demand deposits, which entails a higher contribution to the organization's profitability.

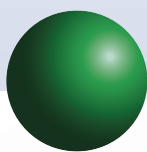
The commercial loans portfolio recorded a 12% increase over 2010 close due to the effort made to prop up the credit management focused on the portfolio diversification and progressive increase of the intermediation, carrying out a significant crossing of active products per each client. It is worth mentioning the outstanding share of the segment as

to car loan granting, the portfolio of which shows a 32% increase over December 2010.

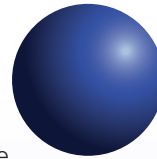
Another important aspect is the fact that there was a great default indicator performance during the first half of year –.67% as of June 30, 2011– due to the efficient credit analysis prior granting thereof, the strict portfolio control and follow-up, and the collection management, which translates into a collection efficiency rate of 92.16%.

In the client's perspective and as part of our value offer and service quality, the EVP of Individuals, based on the new technologies that provide the top security in our products and services, has successfully carried out the substitution of debit and credit cards with chip technology for the clients of the segment, which will allow them to access different alternative channels with a higher security and efficiency level.

A very substantial aspect is that at the six-month period close, our clients showed an excellent transaction mixture, thus promoting the use of the e-channels: Internet (68%), Agency (15%), POS (11%), ATM (4%) and Call Center (2%).



**The total  
deposits of the EVP  
of Individuals represent  
15.6% of the total  
liabilities of the  
Bank**



## LEGAL ENTITIES

The Legal Banking management was centered on the increase of its liability and asset portfolio in a diversified and profitable manner, focused on the share in the sectors of the economy with the highest increase and contribution to the GDP and in compliance with the directed portfolios.

The share in new sectors and clients and the offer expansion of Payment Methods and Services was the base of the increase of Banesco in the legal segments during the first half of year.

The liability portfolio experienced a 20.7% increase, mainly through checking account products, the balances of which increased by 36.8%.

The asset portfolio of the Legal Banking showed a 19% increase over 2010 close, focused on meeting the direct portfolio goals as well as on expanding the commercial credit.

Each Legal Bank showed an outstanding management based on the priorities defined in their Strategic Plan.

## Business Banking

The Bank directly contributed to the compliance with the portfolio percentages required for the manufacturing and tourism sectors and the expansion of the commercial credit, focused on the commercial, industrial, and manufacturing sectors with a significant share of clients in the provinces of the country in order to support the financial development of the Venezuelan regions, showing an overall 18.3% increase in the credit portfolio over December 2010 close. It is worth mentioning that during the six-month period we financed the equivalent of US\$ 100 million for the acquisition of PDVSA Bonds 2022 in the initial issue made on February 2011.

In the period subject to analysis, the Business Banking showed a 9.8% increase in the total liabilities of its clients over December 2010 close, significantly meeting Sitme's requirements as to client portfolio, thus coordinating the allocation of US\$ 330 million that were injected into imports required by our clients.

Among the strategies implemented is the target client service, with priority to the commercial sector (retail sale), clients engaged in the health sector (medical

equipment), State contractors and companies engaged in product manufacturing and industrial sector activities, as well as clients engaged in the food sector (supermarket chains and food wholesalers).

## Energy Banking

The results in the Energy Banking represented an achievement in liabilities and assets by a business coordinated management and a best performance of the team comprised of 56 professionals who provide specialized service in nine (9) points nationwide.

The behavior of the energy sector has shown a trend toward beginning the year with a slow acceleration (Oil activity: +0.1% of GDP Semester I 2011). However, the year close administration was capitalized with the main players of the oil sector and a smart strategy aimed at the energy emergency and its value chain, achieving the following:

- ▀ Liabilities increased by 38% over 2010 close.
- ▀ Assets increased by 29% over 2010 close.



- ▶ The default rate was reduced to 0% through systems custom designed to the players of the sector, their projects and works, in addition to an efficient payment and collection control.
- ▶ We continue leading the Electric Sector in the Payment to National Suppliers service within the private banking, in addition to the payment distribution of Employment Benefits for different financial entities in the country, Banesco being their main bank based on service quality and performance.
- ▶ Development of the Value Chain in the Electric Sector, where we provide support to the main players in different thermoelectric generation projects, granting credits totaling around Bs. 565 million, thus showing a 123% increase in the sector.
- ▶ The different leverages used to boost the increase in the electric sector are: loans, inclusion of different channels and payment distribution, direct billing of contracts and electronic collection, showing a 28% increase, 40% of which corresponds to the collection made through Banesco.

### Public Sector Banking

The Banking responsible for the service provided to public agencies focused its efforts in the provision of services to collect taxes and duties of Mayoralties and Autonomous Institutions attached to the Central Government, maintaining its diversification strategy to the regional and local governments.

Some of the Mayoralties that recently began to collect taxes and duties through our bank are: Sucre, Libertador, Iribarren, Maturin, and Girardot, achieving a 48% increase (Bs. 121 million) over the same period last year.

POS have been incorporated (21 throughout the country) in the Income Tax payment operations carried out by SENIAT in its main regional offices, thus achieving higher tax collection efficiency and better service for the tax collection entity, as well as more tax payment options to our clients. This year, Banesco was considered the only private bank to support them in this operation.

Income Tax collection showed an increase of more than Bs. 850 million over the same period of 2010, that is, a 20% increase.

The service model was improved with the creation of 2 Territorial Managements. In the Centralized Administration area, the personal service to Ministries and attached agencies was reinforced and improved, and in the decentralized area, we improved the service points in the regions where we have a significant growth, such as the Andean Region and the Western Region.

In addition, the segment shows a 13.3% increase in the volume of its liabilities during the past six months.

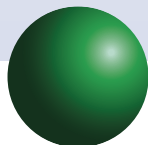
### Agricultural Banking

During the period, the Agricultural Banking settled 1,066 credit transactions for Bs. 2,959 million that boost the agricultural development of the country, thus showing the Bank's commitment to the sector. Through its entire operation, the banking does not only make sure to comply with the obligation required by the National Government, but also continues being the first bank in agriculture portfolio of the financial system, goes deep into the management system based on providing comprehensive service to its clients, made sure to address the contingencies faces by the producers due to climatic events

### Corporate Banking

During the first half of 2011, the Corporate Banking continued focusing its efforts on approaching its clients, giving priority to the sectors that required more financial support, both from a credit and a transaction point of view, through visitation plans that allowed knowing firsthand the clients' needs. This strategy translated into the provision of a service in line with the clients' requirements, aimed to achieve more connection and loyalty. This had an effect on the increase in cash flows, through new product placement of Cash Management, financing, and the increase in the volumes of imports (CADIVI) processed through the Bank.

As a result, the first half of 2011, the bank recorded a 16.01% increase in total customers' deposits and 25% in its credit portfolio over December 2010.





and join the State offering financing plans to small producers with Agrovenezuela Mission. Part of the strategy was focused on providing service to the value chain of the food and agriculture circuit, including the needs of the primary producers, the agroindustrial and marketing for both working capital and investment projects that translate into increases in the installed capacities. In the agroindustrial sector the bank transaction activity experienced a boost and the volumes of imports processed through the Bank increased.

The Bank experienced an 85.2% increase in total customers' deposits over December 2010 and 21.47% in loans.

### MASS SEGMENTS AND SMBS

In order to optimize the service provided to our customers, we opened four (4) new service points: World Trade Center Valencia Agency, Agencies in C.C. Parque del Este, Embotelladora Carabobo II Agency and Banesco Express World Trade Center Valencia, for a total of 442 service points nationwide to provide service to over 6 million customers.

During the first half of year, the credit port-

folio showed an 11% increase, where the excellent management of the Auto Portfolio stood out with a 46% increase, and a 12% increase in the Mortgage Loan Portfolio. The growth of our credit portfolio aimed to the Tourism Sector deserves a special mention, as it was tripled over 2010 close.

Over 16 thousand clients received effective service through the SITME process during the first half of 2011.

Likewise, we delivered debit cards with chip technology to more than 1 million 700 thousand clients, leveraged by the advertising management that underlines the advantages of this technology.

We conducted several campaigns aimed to cover different needs of our clients, like the loan pre-approval campaign for legal entities.

To date, we count on over 113 Consultants in the SMBS Segment nationwide, extending our service model by incorporating 11 new consultants. During this six-month period in order to cover the specialized service needs of this important category.

In line with the strategy of service quality excellence, we launched an internal campaign by following up the different variables that leverage quality in an organized and schematized manner. This initiative aims to promote motivation and commitment by the customer service personnel and reinforce the supervising role, thus assuring quality culture at work, promoting the exchange of ideas, and improving the practices followed by employees.

### ELECTRONIC CHANNELS AND SERVICE POINTS

During the first half of 2011, the transactions made through electronic channels experienced a relative increase of 5.5% over the same period in 2010, that is, from 234,282,533 transactions to 247,053,549 million average monthly transactions. The share of transactions made via electronic channels corresponded to 88.7%.

### BanescOnline

June 2011 closed with 2,478,242 million affiliated clients, that is, 163,188 clients joined the channel, which represents a 7% increase over December 2010.



**Over 16 thousand  
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of 2011.**



On average, 41.78 million transactions were made per month through this channel. The average amount managed during the first half of 2011 was Bs.F. 3.1 million, which showed a 46.4% increase over 2010.

### Call Centers

For the first half of 2011, the call center received a monthly average of 2.7 million calls, of which 763,225 were received by the Call Center Agent per month. The channel managed 3.5 million transactions during the second half of year with an average participation of the robot (IVR technology) of 75%.

### Service Points, Points of Sale, ATMs, Self-Service Banking and Checkbook Dispensers

At June 2011 close, Banesco had:

- 50,703 Points of Sale, whereby 6.2 million average monthly transactions were made, showing a relative growth of 7.8% over the same period in 2010.
- 1,798 ATMs, through which 9.7 million (Issuer) and 10.5 million (Acquirer) average monthly transactions were made during the first half of 2011, that is, 7% and 9%, respectively, less than the pre-

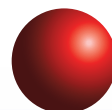
vious year. We maintain our leading position in transactions as acquirers in Suiche 7B and Conexus networks. On the other hand, it is worth mentioning that during this period the migration process from ATM platform to Chip Technology was carried out in compliance with the regulations in force.

- 317 Self-Service equipments, which recorded 520,129 average monthly transactions during the first half of 2011, which represents a 11% decrease over the same period in 2010.
- 242 Checkbook Dispensers, through which an average of 117,566 transactions were carried out per month.

### MANAGEMENT OF PAYMENT PRODUCTS, MEANS, AND SERVICES

#### Cash Management Services

During the first half of 2011, the services of Payroll Payment, Suppliers Payment, and Direct Billing experienced an overall increase of 46.53% in managed amounts and of 6.12% in transactions made through the Electronic Data Interchange (EDI) platform in comparison with last year's same period.



The joint operation of the Specialized Banking and our executives of Payment Means and Services facilitated the incorporation of 394 clients to the portfolio during the first half of year. Payroll Payment, Suppliers Payment, and Direct Billing recorded 3,730, 1,452 and 558 clients, respectively.

Tax Collection services recorded a 34% increase over the same period in 2010, while the transaction activity experiences a positive movement of 40%—from 4.6 million in the first half of 2010 to 6.1 million to date.

### DEBIT AND CREDIT CARDS

#### Debit Card Issuing Business

Banesco maintains its leadership in the Debit Card POS Sales market, with a share of 25.65% at the first half of year close due to the different strategies implemented by the business, which follow Banesco innovation path.

Banesco's leadership stands out for product and service innovation through strategies that generate added value to our clients in order to consolidate their loyalty to the Banesco Maestro Debit Card, such

#### Service Points, Points of Sale, ATM's, Self Checkbooks and Dispensers

##### VICEPRESIDENCIES

	Agencies	Drive-up Tellers	Banesco Express	Satellite	Counter	Total Service Points	Total ATMs (Automatic Teller Machines)	Self-Service Equipments	POS (Points of Sales)	Checkbook Dispensers
Gran Caracas Centro Region	29		3	11	6	49	197	33	13.233	26
Gran Caracas Este Region	44		6	10	3	63	326	52	7.265	42
Gran Caracas Noroeste Region	49		4	15	7	75	290	60	4.961	43
Centro Los Llanos Region	46		3	15	8	72	252	40	6.610	41
Occidental Andina Region	42		2	9	9	62	272	53	7.747	27
Oriente Sur Region	41	1	4	12	8	66	250	42	6.071	34
Zulia Falcón Region	28		3	11	13	55	211	37	4.816	29
<b>Total</b>	<b>279</b>	<b>1</b>	<b>25</b>	<b>83</b>	<b>54</b>	<b>442</b>	<b>1.798</b>	<b>317</b>	<b>50.703</b>	<b>242</b>

**For the first half of 2011, the call center received a monthly average of 2.7 million calls**

as the temporary card blocking to provide maximum security.

The implementation of the campaign for the replacement of debit and credit cards from magnetic stripe card technology to chip card technology (EMV) continued throughout the period, thus providing more service and security to our clients in electronic transactions made in POS and ATMs adapted to the EMV technology, through the campaign *¡Ahora Vale por 5 y es más segura!* (Now It Is Worth 5 and Is More Secure). To date, more than 1,700,000 debit cards and 419,352 credit cards have been replaced, fostering the change of the rest of the clients with the campaign *¡Aún tienes Tiempo!* (There's Still Time!).

### Credit Card Issuing Business

We maintain our leadership in credit cards in the Venezuelan market reporting a share of 26.37% of sales at the first half of year close.

Banesco continues developing products and services aimed to meet the needs of our clients, individuals, and legal entities to maintain its leadership in the Venezuelan market.

In addition, the bank implements fidelity and loyalty programs to provide the best services and benefits to our clients through a wide range of credit card products.

As part of the service innovation and improvements, Banesco offered to our clients in Banesco.com the option of the currency quota, appointments plus binders for the clients to process in a fast and convenient manner their currency quota for trips and Internet purchases, which shows the increase in international purchases, as it approved 124,490 trip certificates and 339,857 Internet certificates.

Banesco is the institution of the Venezuelan market that offers the widest range of benefits to its clients, aimed to ensure loyalty and fidelity to our brand through business partnerships and promotions with brands recognized in the country that look for a win-win relationship to increase the sales of commercial clients, as well as the card transaction volume.

Banesco also offers to its clients Permanent Programs that promote the use and timely payment of its products, namely:

► **Paga Puntual y Gana (Pay On Time and Win)**, the object of which is to encourage our clients to maintain their payments current. Banesco reimburses the minimum credit card payment of the winning clients for up to Bs. 500. At the close of the first half of 2011, 670 won for a total amount of Bs. 195,000.

► **Ticket Premiado (Winning Ticket)**, which rewards clients of Banesco and other banks who use their debit or credit cards in our Points of Sale (POS) with free purchases. At period close, 2,412 clients won for a total amount of Bs. 574,357 awarded prizes, aimed to increase the use of our POS, as well as the account balances of our commercial clients.

► **Cinex**, gives a 50% discount when the movie tickets are acquired with Banesco debit or credit card from Tuesday to Friday.

Banesco participated in the following promotions with the support of MasterCard and American Express (Amex) franchises:

► *Tus Tarjetas MasterCard y Maestro te pueden llevar directo ¡A la final de la Copa América!*, (Your MasterCard and Maestro Cards can take you directly to the America's Cup final!). Three clients won and traveled to Argentina.







- ▶ *Tus compras internacionales te pueden salir GRATIS* (Your international purchases could be FREE), which awarded 45 of our Amex clients, who received a reimburse for their purchases abroad.

Leveraged on the Visa, MasterCard and American Express franchises, the following benefits to clients were issued:

- ▶ *Disfruta lo mejor de Miami*, (Enjoy the best of Miami with Master Card Black, Platinum and Gold).
- ▶ Amex Selects – all its clients with American Express.
- ▶ Cinex Go Visa Experience – Visa Signature and Platinum.
- ▶ Wine Night – Visa Signature and Platinum.
- ▶ *¿Quieres estar más cerca de las estrellas?* (Want to be closer to the stars?) Go Visa - Visa Signature and Platinum.

## INTERNATIONAL

### Foreign Trade

- ▶ For the third consecutive semester, we

continue growing in issuance of letters of credit to support our clients in their process to import goods necessary for their business activity. At the half of year close, we issued the equivalent of 326 million US dollars in letters of credit, both ordinary and under ALADI agreement.

- ▶ In May, we became the first Venezuelan private bank in the country accredited as Authorized Operator of the SUCRE currency. Thus we extended our service offer to those of our clients who need to make imports from Bolivarian Alliance for the Americas (ALBA) countries.

### International Correspondents

We continue fostering the international relationship with correspondent banks at a regional level. In this regard, we participated in the Latin American Foreign Trade Congress (CLACE) in the city of Montevideo. There the bank had the opportunity to exchange information and discuss the potential lines in the Trade Finance business for Latin America, where Banesco has an active share based on the growth strategy in this sector.

### Securities and Bonds Custody

During the first half of year, 45,345 ope-

rations of sales and securities transfer in foreign currency corresponding to the third-party custody portfolio were carried out due to the trust shown by our clients by choosing us as their securities custody agent.

### Exchange Control Operations - Individuals

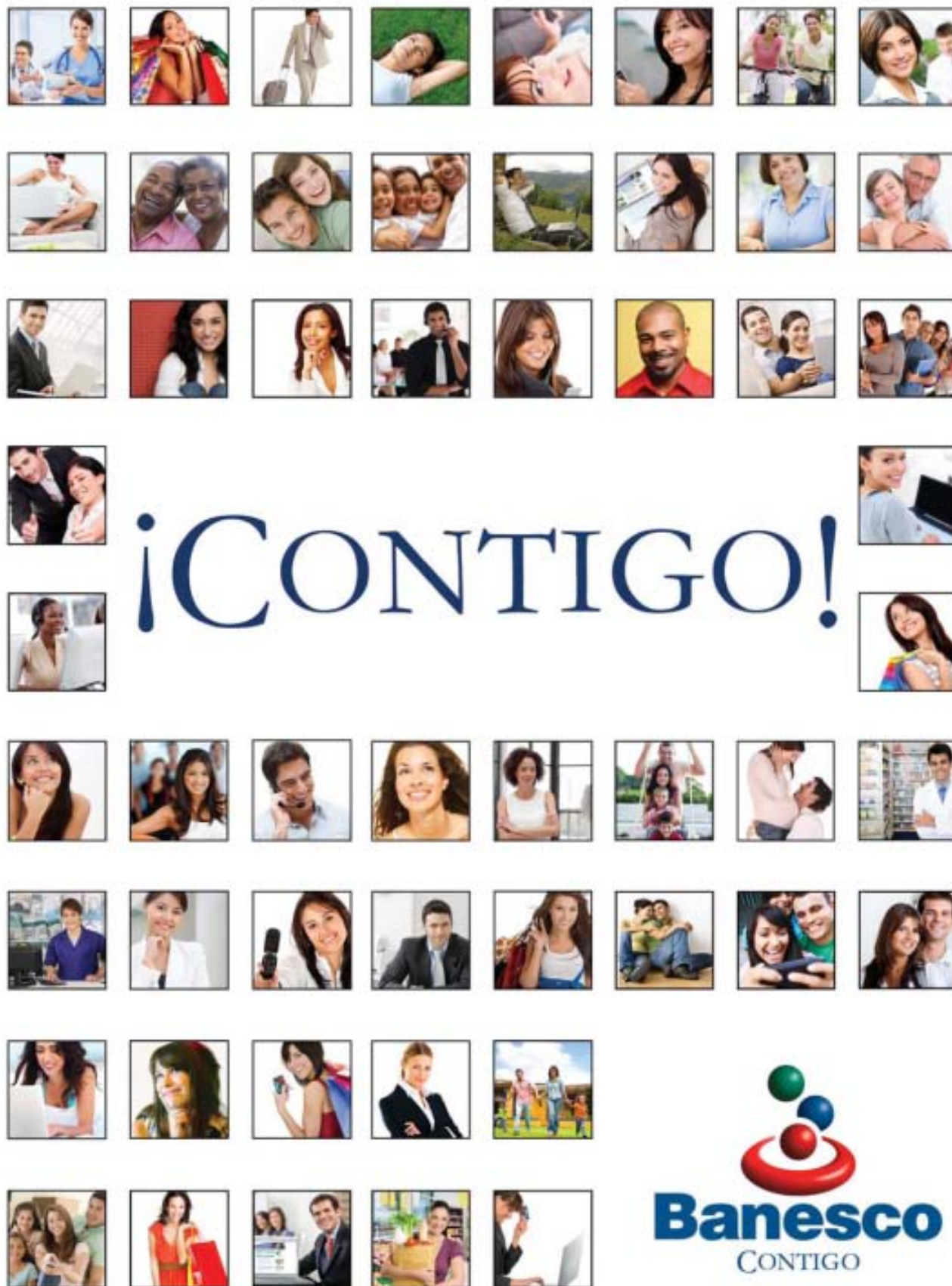
During the first half of 2011, we recorded a significant increase in the different items comprising this activity. The applications for the granting of foreign currency for International Trips through Credit Cards, Cash for Travelers and Internet Purchases, totaled 291,425 files received and processed, which represents an additional 20% over the same period last year.

As to the applications for the granting of foreign currency for Students, Health-related Cases, and Family Remittances, we recorded 26,553 files received and processed, which represents a 115% increase over the same period in 2010.

These results consolidate our leadership and the trust of our clients upon filing their foreign currency applications with Banesco, as exchange dealer.

**The applications for the granting of foreign currency for Students, Health-related Cases, and Family Remittances, increased 115% over the same period in 2010**





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• [www.Banesco.com](http://www.Banesco.com) • [@Banesco](https://twitter.com/Banesco) [Banesco Banco Universal](https://www.facebook.com/Banesco-Banco-Universal) [YouTube BanescoImágenes](https://www.youtube.com/BanescoImágenes)



El 31 de diciembre de 2011 finalizará la circulación del pago como momento. El pago de bonos bonifera y momento por los pagos del pago momento que circula desde enero de 2008 se mantendrá en agencias bancarias y en el BNC.

## Comprehensive Risk Management

To Banesco Banco Universal, the Risk Management is focused on strengthening risk follow-up and supervision, providing the business with advisory services, guaranteeing reliable, timely, and accurate information, allowing the generation of early alerts, thus promoting decision making to maximize the value of the shareholders and establish competitive advantages.

Our main approach during 2011 is focused on business-oriented activities, assistance in global loss prevention, maintenance of business continuity, and increase efficiency in credit portfolio management.

Since Risk Management is a key element in the strategy of the bank, during the first half of the year, we included the strategic plans of the different business units and core capacities, key risk indicators, which will allow detecting on a timely manner the minimum or maximum risk levels to which the objectives are exposed in order to take the actions required to control, mitigate or transfer such risks, as appropriate.

As to the risk area training, the certification was performed and the “Alarys

International Risk Manager” (AIRM) certification was renewed, which is a guarantee in risk matters awarded by “Alarys, Latin American Risk Management Foundation” to Spanish and Portuguese speaking professionals.



Banesco Banco Universal, committed to strengthen the risk culture in the organization and in order to guarantee risk management efficiency in key business areas, carried out the following actions during the first half of year:

- ▶ Measurement of the corporate maturity of the comprehensive risk management.
- ▶ Training of Human Capital facilitators in risk matters for massive dissemination of this matter throughout the country to effectively contribute to the strengthening of the risk culture.
- ▶ First measurement of risk management competition in performance assessment of all the employees of the organization.

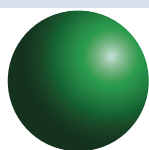
### Credit Risk

As to the Credit Risk Management, the institution has maintained the strengthening

of measurement, control and follow-up of the risk level associated to the credit portfolio, mainly focused on processes and update of tools for the admission and supervision of credit operations of the bank's portfolio. These actions are in agreement with the portfolio quality and risk management requirements adapted to a risk/return ratio, sustainable and with added value.

In this regard, during the first half of 2011, the actions for massive credits were focused on the implementation of different processes aimed to reinforce the credit risk management, which translated into adjustments made to the payment history scoring and analysis tool in line with the strategy for profitable growth of the Bank.

On the other hand, in the life cycle of the credit, some strategies were designed aimed to improve the performance of the trading portfolio, obtaining significant results in the risk level of this segment. Compliance with all the above actions was the result of a structure adaptation of the credit risk unit through the creation of specialized areas aimed to servi-



**The organization  
experienced a  
strengthening of the  
risk culture through the  
deployment of operational  
risk training sessions**

ce the different areas of the business based on the credit type managed, through the control and follow-up of the related risk factors.

### Market Risk and Liquidity Risk

Banesco counts on a Market and Liquidity Risk Management process that allows identifying, measuring, monitoring, and giving early alerts on potential risks that might affect the economic value of the Bank and all the risks that might affect the balance sheet. Hence, the bank bases its analysis on universally known methodologies, like the Risk Value to measure the Market Risk, and the analysis of short and medium term liquidity indicators, liquidity and repricing gaps, and liquidity coverage indicators in the case of Liquidity Risk and Interest Rate.

The Market Risk management is performed on a daily basis through the monitoring of prices and price volatilities of the securities comprising the Bank's investment portfolio. The limits control and follow-up is also maintained as an ongoing activity, and based on the analysis made, the average consumption of

the limit set to the Risk Value of the investment portfolio during the first half of year was 42%.

The Liquidity Risk management is also performed on a daily basis through the follow-up of short and medium term indicators and the coverage indicator, which at the first half of year reached in average 240%, thus evidencing a liquid asset level above the liabilities payable, both in regular and stressful situations.

### Operational Risk

In Banesco, the Operational Risk management has been focused on the prevention thereof through the implementation of analysis methodologies in processes, value chains, new products and services that allow conducting evaluations of the risk levels and maintaining the business continuity, thus maximizing the benefits and results in the liability of the institution.

During the first half of 2011, we conducted the risk analysis in processes, chain values, and macro-processes for: the Agency Network, Banca Comunitaria Banesco, Credit and Debit Cards, and the

back process of Treasury. In addition, we developed and incorporated activities that foster and support the implementation of the Modelo de Gestión de Riesgos Operativos (Operational Risk Management Model) (MGRO) in core business processes, and we implemented the monitoring of certain Key Risk Indicators (KRI).

On the other hand, there was progress in the generation and adjustment of a model that allows calculating the not earned income in the event of an incident or fault in the processes or systems, as well as in the follow up and troubleshooting, in coordination with the areas of Technology, Business Continuity, and Risk.

The organization experienced a strengthening of the risk culture through the deployment of operational risk training sessions aimed to new recruits and focused on promoting and consolidating the risk culture in Banesco so that an appropriate risk management becomes a way of thinking and acting of all its employees.





## Loss Prevention and Business Continuity



During 2011 we continue evolving in our integration and constant search for synergies to add value to our stockholders. We have undertaken a mid-term strategy based on the Convergence concept as a maturity and depth step looking for the efficiency of our processes and their adjustment to the rest of the Bank's areas.

Our management's main accomplishments are presented by area as follows:

In the **Loss Prevention area**, there were joint efforts with the business areas responsible for the Chip Technology Products and Channels Project (EMV Project), accomplishing the successful migration of Banesco ATMs in 98%, providing higher security to transactions via these products and channels, as well as meeting periods and regulations established by SUDEBAN.

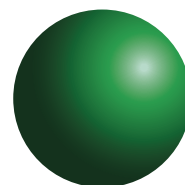
Alongside and within the same framework of the EMV project, as of this first six-month period, we have assisted the cards area in the migration and activation of 1,699,796 Chip Debit Cards and 423,453 Chip Credit Cards.

Regarding the continuous mitigation and reinforcement process of our channels,

products, and services, we continue with the prevention initiatives searching for the optimization of controls installed in affiliated establishments. We also strengthened security in our authorization and compensation processes for checks that have resulted to be very efficient. We have also continued our work in the ongoing enhancement of security in the agency networks through their classification and supply based on their specific levels of risk. Regarding BanescoOnline, through the implementation of the Clave Dinámica Project and the actions of the Security Operations Center, we have increased the security levels for this channel, also guaranteeing simple services at the customers' convenience.

On the other hand, we continued to strengthen training and awareness campaigns for businesses and clients on the best practices of use and adaptation of Payment Methods and Channels, which addressed 367 businesses for a total of 801 trained people. Moreover, we continue to optimize our constant awareness process to employees and new admissions through the deployment of an E-learning program in the regions with local enablers.

**All the agencies  
are duly certified  
on security matters  
by the responsible  
Government Bodies**





Regarding the Protection Area, we successfully completed the evaluation and enhancement of security in critical agencies with the installation of additional security mechanisms such as gate locks, installation of glasses and security trays in the agencies' cash offices, as well as replacement of digital combinations in ATMs, which allows for a more efficient and safe management protecting the assets of the Bank and its customers, thus dramatically reducing robberies in the agencies.

All the agencies are duly certified on security matters by the responsible Government Bodies.

In connection with the **Loss Control Area**, we executed the strategies established with the areas involved in the detection and control process, obtaining results for improvement and prevention of new events, simplifying the processes to achieve more efficient and effective goals, such as the evaluation of the pre-employment process, which contributes to the Institution's profitability.

Additionally, the Ethics and Behavior Comprehensive System was enhanced



through researches supported by our Human Capital, Communications and Technology Staff, guaranteeing the efficiency of the researches and their results.

We continue to strengthen institutional relations with the different Official Security Organisms of the State with actions and operations that allowed for the recovery of significant amounts, thus contributing to overcome the goals set on this matter. Regarding the Business Continuity, we are successfully carrying out initiatives, projects, and coordination jointly with the responsible areas in order to accomplish the successful improvement and recovery

of services in case of disruptive events. Particularly, we are emphasizing the ongoing reinforcements of the technology contingency for the Internet Banking platform, which is in line with our migration strategy to electronic channels.

Additionally, we have executed 19 simulations of contingency or high availability technological platforms, which guarantees the availability of contingency environments in the event of a major failure of the production environment and the business' critical operations. Hence, we are in line with Sudeban regulations regarding their execution.

We implemented the Control and Command Center for the execution of activities related to the monitoring and pass to production of large and material projects to the Institution, such as EMV and check clearing, through the monitor and follow-up of any stage of the project, which allows to control and efficiently manage their stabilization. We also achieved to minimize the customers' impact of major events that might have any effect on the operation of critical services.



## Corporate Governance


**B**anesco Banco Universal, C.A. is a financial institution incorporated in the Bolivarian Republic of Venezuela and authorized to conduct any kind of operations and businesses allowed to universal banks in conformity with the Banking Institutions Law. Consequently, it is subject to control and oversight by the Superintendency of Banking Institutions. The Entity is domiciled in Caracas, and has agencies throughout the national territory.

On March 24, 2010, a Regular Stockholders' Meeting was held whereby a dividend in common shares was declared for the amount of Bs.F. 46,000,000.00. As a result of the dividend decree in common shares, the capital stock of BANESCO BANCO UNIVERSAL, C.A. is Bs.F. 1,250,000,000.00, divided in 100,000,000 registered common shares of the same class, non-convertible in bearer shares, at a par value of Bs.F. 10.00 each, and 25,000,000 of registered preferred shares, non-convertible in bearer shares, at a par value of Bs.F. 10.00 each. This procedure was authorized by the Superintendency of Banking Institutions.

In connection therewith, as of June 30, 2011, Article 5 of the Bank's bylaws reads as follows:

...” *ARTICLE 5: The capital stock of “BANESCO BANCO UNIVERSAL, C.A.” amounts to Bs.F 1,250,000,000.00 divided in 100,000,000 registered common shares of the same class, non-convertible in bearer shares, at a par value of Bs.F. 10.00 each and 25,000,000 registered preferred shares, non-convertible in bearer shares, at a par value Bs.F. 10.00 each. Such capital stock has been fully registered and paid in the percentage evidenced in the Stockholders’ Book. Preferred shares that prior compliance with legal formalities may be issued by the Bank for the maximum amount of Bs.F. 500,000,000 shall only be placed through public offering and shall have the following rights and characteristics: a) receive a preferred and cumulative dividend with charge to income, the amount, payment time, characteristics and other modalities of which shall be determined by the Stockholders’ Meeting or the Board of Directors, if appointed by the Meeting; b) they shall have right to vote at Bank’s Stockholders’ Meetings only for approval or disapproval of the financial statements, and statutory amendments modifying their rights, and for appointment of the Comptrollers and deputies, and deciding on their remuneration; and c) in case of Bank’s liquidation, they shall only have redemption right to the extent of their nominal value plus dividends accumulated to the date of the liquidation.”*

*Banesco Banco Universal, C.A. maintains a governance structure comprised of the Stockholders’ Meeting, the Board of Directors, the Chairman of the Board of Directors, the Compliance Officer for Prevention of Money Laundering, the Internal Comptroller, as well as the Credit, Risk, Assets and Liabilities, and Audit Committees. The Audit Committee was created as established by Corporate Governance Recommendations issued by the Securities and Exchange Commission through resolution number 19-1-2005, of February 2, 2005, published in Official Gazette 38.129 of the Bolivarian Republic of Venezuela, of February 17, 2005.*



**In order to guarantee  
the proper performance  
of the corporate policies  
and management’s openness  
in the performance of its duties,  
the Bank has various  
committees**



## STOCKHOLDERS' MEETINGS

It represents the universality of the stockholders and has the company's supreme management. Its acts and resolutions bound the company and its stockholders. Among its functions, the Meeting is empowered to appoint the members of the Board of Directors, establish their remuneration, appoint controllers and deputies, appoint advisors with right to attend and speak in the Board of Directors' meetings, discuss, approve or modify the financial statements presented based on the Comptroller's report, decide on dividends decree and their form of payment, amount, frequency and time to be paid, in conformity with the law and bylaws, as well as deciding on any other issue for which it was called.

## BOARD OF DIRECTORS

The Board of Directors of Banesco Banco Universal, C.A. is comprised of qualified people with broad experience in different areas of the banking business, of acknowledged solvency and sound reputation as a guarantee of the good performance of their duties. The main role of the Board is the management and general administration of the businesses and operations carried out by the Bank, including corporate social responsibility policies. The performance of the Board of Directors is vital to define and strategically manage the Bank, and also approves the business prin-

ciples and policies, thus regulating the autonomy of executive decisions to protect the stockholders' interest and the organization. Furthermore, the Board controls the performance of operating and functional areas of the Bank, and evaluates and compares business projections, as well as the results from previous years with the results of each year.

Based on the agreement reached at the Regular Stockholders' Meeting held on March 30, 2007, the Board of Directors has to be comprised of no less than nine members and no more than thirteen members.

It is worth mentioning that, in order to guarantee the proper performance of the corporate policies and management's openness in the performance of its duties, the Bank counts on the following committees:

### *Audit Committee*

The duty of the Committee mainly consists on knowing the financial statements to be considered by the Board of Directors and subject to approval by the Stockholders' Meeting in order to verify that they comprise all the information required and show, completely and accurately, with no reserves or omissions, the financial situation of the partnership. Likewise, the Audit Committee assists the Board of Directors with the implementation of measures aimed at preserving

the accuracy of the financial information of the partnership, cooperating with the supervision and follow-up of the bank's internal and external audit. In this regard, among other issues, it recommends the Board of Directors to appoint an adequate firm of External Auditors, reviews and approves the scope of the annual audit and the fees to be paid to such firm, as well as its independence. Together with the Board of Directors and the External Auditors, the Committee reviews all significant topics regarding litigations, contingencies and claims.

### *Risk Committee*

This Committee is mainly engaged in fixing risk limits under the policies established for each of the activities carried out by the Bank to guarantee a sound and integrated management of operating, market, legal, and business risks, among others, in conformity with the Bylaws and the best practices at an international level.

The Risk Committee meets once a month, and also advise the Board of Directors and the different Credit Committees on the decision making, and establish the guidelines and policies they must comply with in order to maintain the established risk profile.

### *Credit Committees*

The Board of Directors, reserving the exe-



cution of this right, has decided to delegate the right to grant credits to the committees created to such end, and established the amounts and all the terms and conditions for the performance of their duties. Thus, in order to comply with the diverse autonomies and the delegation of rights, the Executive Credit Committee, the Metropolitan Credit Committees, the Regional Credit Committees, and the individual autonomies were created.

Within the boundaries of their rights, these autonomies are in charge of the consideration and approval of the different credit applications, and of keeping the Board of Directors informed about the results of their transactions. Likewise, they must also comply with the different risk policies that have already been established for such purpose.

#### **Asset and Liability Committee**

It gives support to the Board of Directors. Therefore, its policies are aimed at designing, controlling, and taking the necessary measures to comply with the entity's financial strategy, including, but not limited to: Liquidity Policies, Equity Adjustment, Rate Setting, Funding Strategy, Investment Strategy and Policies for the correct management of assets and liabilities. This Committee is in

charge of managing risks associated with asset and liability management, identified by Finance, Treasury, Risk, and Business Units, among others, and ensuring compliance with equity adjustment policies.

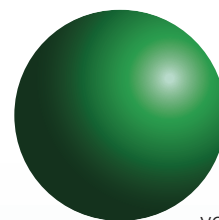
The Assets and Liabilities Committee must guarantee compliance with Integrated Risk and Investment Management policies, and may propose to the Risk Committee or the Board of Directors, as appropriate, modifications or reviews to such policies.

#### **Chairman of the Board of Directors**

The Chairman of the Board of Directors is subordinated to the Stockholders' Meeting and the Board of Directors. In the exercise of his rights, he acts as legal representative of the institution before any and all public or private authority, and, on its behalf, grants contracts, agreements, settlements and, in general, all kinds of documents of any nature whatsoever. To summarize, all the duties assigned by the Board. The Chairman of the Board of Directors chairs the Stockholders' Meetings and board of directors' sessions, and jointly with the latter, exerts the supreme management of Bank's activities.

#### **Secretary**

The Secretary of the Board is an attorney,



and also has many years' experience in the banking sector, especially, at the service of this Institution. The Secretary is in charge of managing the Board's Secretary Office, which must keep an organized record of the minutes of the sessions, as well as cooperate with the collection, preparation, and record of corporate information required by the Board, the stockholders, and the regulatory agencies, among others. The Secretary is also in charge of keeping the agenda of the Board's sessions as well as gathering the requirements regarding issues to be solved in such meetings. Acting in his capacity of secretary, knowing the laws and counting on his financial experience, the Secretary is entitled to be present and intervene during the Board's sessions, which strongly supports, from the legal point of view, the proposals being discussed in the meetings and the decisions made.

#### **Internal Comptroller**

The Internal Comptroller is in charge of the internal coordination of the analysis of the diverse operations of the institution and, together with the Audit Committee, informs the Board of Directors about the results of the audits performed in order to improve the procedures and mitigate any possible deficiencies.

#### **Board of Directors**

JUAN CARLOS ESCOTET  
 LUIS XAVIER LUJÁN  
 SALVADOR EDUARDO CORES  
 MARÍA JOSEFINA FERNÁNDEZ  
 NELSON ORLANDO BECERRA  
 FERNANDO CRESPO  
 GONZALO CLEMENTE  
 MIGUEL ÁNGEL MARCANO  
 JOSÉ RAFAEL PADRÓN  
 DAISY JOSEFINA VÉLIZ  
 OLGA ELENA MARCANO

#### **Commisaries**

Main: Gordy Palmero Luján  
 e Igor Williams de Castro

#### **Secretary**

Marco Tulio Ortega Vargas

#### **Judicial Representative**

Marco Tulio Ortega Vargas



## Compliance Officer

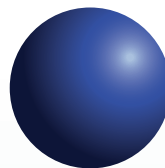
Banesco counts on a Compliance Officer in charge of the supervision and control of the Bank's Prevention and Control of Money Laundering Unit. Such Officer is also the Chairman of the Bank's Prevention and Control of Money Laundering Committee and informs the Board of Directors about the results of its activities and the investment of resources allocated to the training and education of Banesco's personnel regarding this matter. The Compliance Officer is entitled to participate in the Risk Committee, and reports to the President of the Institution.

We reiterate that, for Banesco Banco Universal, C.A., compliance with the corporate governance principles represents the performance of our activities in accordance with the following standards:

- **Efficiency:** Oriented toward generation of the maximum value at the lowest cost, in less time and achieving the goals set.
- **Equity:** Strict respect to the right to equality of treatment of stockholders, workers, and suppliers, as well as any other person in connection with the partnership.
- **Respect** to the stockholders' economic and political rights.

- **Openness, communication, and information:** Generate reliance and credibility in the public through the truthful disclosure of all the information necessary for the complete knowledge of the company.

Therefore, in Banesco Banco Universal C.A., we follow the principle "one share, one vote". Thus, we recognize the proportionality that must exist between the equity interest percentage and the corresponding equity right in the structuring of the institution's will, always through the properly informed exercise of the stockholders' political rights. In view of the foregoing, Banesco Banco Universal C.A. relies on a Stockholders' Unit in order to satisfy the needs of the investors. Such Unit is in charge of making the corporate information flow between the partnership's managers and the stockholders, in a timely, complete and accurate manner. It also constitutes a channel for investors to express any possible inquiry on their investment, gather corporate information of their interest, and receive the reports to be considered at the Stockholders' Meeting. The Stockholders' Unit is assigned to the Bank's Legal Vice Presidency.



Within the framework of the principles of good corporate governance, the Board of Directors of Banesco Banco Universal C.A. has taken the necessary measures to maintain the proper openness and reliance standards to contribute with a greater efficiency and responsibility in the Venezuelan securities market.

Likewise, for the purpose of adopting the best international practices on Corporate Governance matters, during the second half of 2008, Banesco Banco Universal C.A. created the "Vice Presidency of Corporate Governance," whereby the constitution of new governance mechanisms was promoted through Directive and Executive Topic Committees, which will back the Board of Directors' management and its Executive Office for the benefit and protection of the interests of its stockholders, clients, and employees.

The Directive Topic Committees shall be responsible for the control and follow-up of internal and external regulations, the preparation of policies, plans, and strategies to be presented to the Board of Directors for approval, as well as the creation of action lines to control management incentive and discipline.



## Topic Committees

The Executive Topic Committees shall be responsible for the compliance with the policies and objectives established by the administration and coordination of resources, the creation and distribution of the corporate value guaranteeing a better resolution of conflicts related to corporate issues, development of core capacities and compliance with internal and external regulations.

The implementation of these Committees will allow reaching higher efficiency and effectiveness levels in key decision-making, as well as a stronger and more developed Corporate Governance structure of Banesco Banco Universal C.A.



## Banca Comunitaria Banesco (Banesco Community Banking)

**B**anca Comunitaria Banesco (BCB), the Bank's initiative in micro-finance to meet the financial needs of low-income people, began doing business on July 31, 2006, and to date, it has been consolidated as a profitable business with social responsibility, and by mainstreaming a significant number of people into the banking, thus contributing to improve their quality of life.

During the first half of 2011, BCB granted 12,990 microcredits for a total paid amount of Bs. 187 million. 20,417 Community Accounts were opened with an account balance of Bs. 52 million. On the other hand, 21,906 clients were affiliated to *Ahorro Paso a Paso* (Step-by-Step Savings) with an account balance of Bs. 7 million.

From the beginning to June 2011 close, BCB has benefitted 150,946 people and has provided indirect service to 692,470 people, granting a total of 86,359 *Préstamos para Trabajar* (Working Loans) with a low default rate of just 1.16%, the portfolio being focused on five economic activities: transportation, markets, clothing stores, grocery stores and food sales. Likewise, a total of 140,632 clients were affiliated to *Ahorro Paso a Paso* (Step-by-Step Savings) and a total of 146,274 Community Accounts were opened.

**Thanks to the Community  
Advisers and to their service  
network, Banesco Community  
Banking is present in 4.146  
low-income neighborhoods  
in eight states**

39% of the clients were brought to the banking for the first time, that is, for out of ten clients used the financial systems for the first time. On the other hand, in the segment of service to micro entrepreneurs, BCB ranks second with a market share of 32.08% at June 2011 cutoff.

As to the service network, two new agencies were opened in Lara and Zulia States, for a total of 18 Community Agencies, thus consolidating our presence in: La Vega, Antimano, San Martín, Guarenas, Petare, La Isabelica (Valencia), Puerto Cabello, Higuerote, Maiquetía, Los Roques, Catia, Cúa, Santa Teresa, Valencia Centro, Palo Negro (Aragua), Barquisimeto, Maracaibo, and El Cementerio. Furthermore, our client count on 55 stores with personal service *Barras de Atención* (Service Counters) and 120 non correspondent banks (POSWEBs).

### AWARDS AND RECOGNITIONS

► On March 7, the financing for \$500,000 by the Inter-American Development Bank (IDB), the Multilateral Investment Fund (MIF), and the Andean Development Corporation (CAF) was formally approved for the development of "*Servicios Financieros a través del celular para la población no bancarizada*" (Unbanked population financial services through cell phones), the winning project of the "*Programa Tecnología para la Inclusión Financiera*" (Technologies for Financial Inclusion Program).

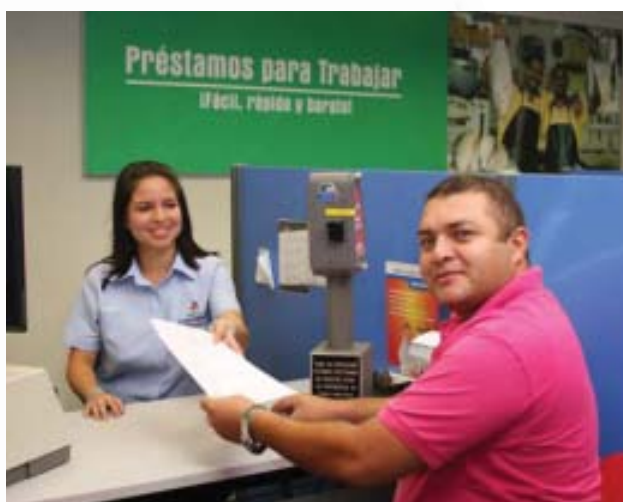
► On April 28, Claudia Valladares, Vice President of Banca Comunitaria Banesco, was acknowledged as Outstanding Social Entrepreneur in Venezuela by the World Economic Forum and the Schwab Foundation for Social Entrepreneurship, within the framework of the World Economic Forum on Latin America 2011 held in Rio de Janeiro, Brazil.

► In accordance with [www.visible-banking.com](http://www.visible-banking.com) Banesco is the most followed bank on Twitter worldwide. In addition to @Banesco, our Twitter account (@Baneskin) is among the TOP 10 of Latin America financial institutions profiles.

► Banesco is known as the first bank worldwide that offers a bank application for Playbook, as per certification made by Research In Motion (RIM).

► Banesco was awarded by Kimberly Clark de Venezuela for its active contribution to the Environment Protection through the Paper Recycling Program.

**From the beginning  
BCB has benefitted  
150,946 people  
and has provided  
indirect service to  
692,470 people**



## Corporate Social Responsibility

At the first half of 2011 close, Banesco's social investment amounted to Bs. 14,340,800, which were allocated as follows: Bs. 10,122,205 to out-of-contract benefits for the workers, Bs. 43,240 to activities carried out by the Corporate Voluntary Service, and the remainder of Bs. 4,175,355 social action for the community, mainly carried out by our social partners.

### Social Investment in Our Human Capital

- ▶ Meal subsidy: Bs. 9,292,773
- ▶ Health Care: Bs. 320,000
- ▶ Parking subsidy: Bs. 270,000
- ▶ Extreme disease subsidy: Bs. 239,432

### SOCIAL ACTION IN THE COMMUNITY

#### AVEC

Since 2004, Banesco and the Catholic Education Venezuelan Association (AVEC) work together to improve and extend the infrastructure of AVECS' schools through direct contributions for repair, building,

and refraction. This year's contribution amounted to Bs. 1,000,000.

#### Andrés Bello Foundation

We granted Bs. 300,000 to the Andrés Bello Program implemented by Universidad Católica Andrés Bello (Caracas) to assist 200 students enrolled in that institution who lack resources to pay the registration fee for the 2010-2011 period. This contribution to the scholarship fund corresponds to approximately 10% of the amount required to cover the registration of these 200 students.

#### Universidad Simón Bolívar

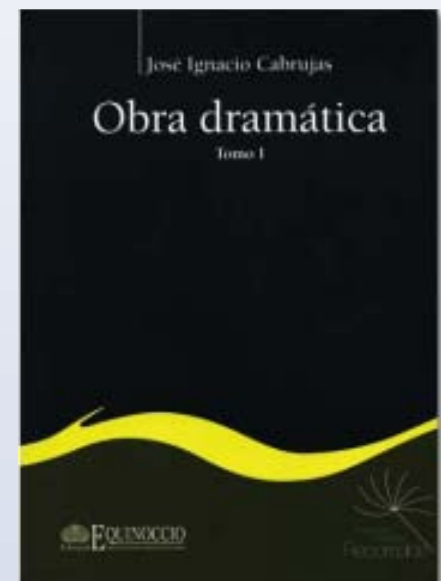
For the fourth consecutive year, Banesco sponsors the Colección Papiros de Literatura edited by Editorial Equinoccio of Universidad Simón Bolívar. This collection is still focused on "promoting the literary creation by disseminating the works by famous writers together with that of young writers with proven talent" with high-quality contents. To date, 46 books have been edited, including literature gems like the complete works by José Ignacio Cabrujas and Poemarios de Rafael Cadenas (anthology of poems). Banesco's contribution amounted to Bs. 400,000.

#### A.C. Red de Casas Don Bosco

We contributed Bs. 693,127 to continue supporting the mission to rescue children and adolescents of the Metropolitan Area of Caracas in a mobile unit (Bosco Bus) and in its support centers.

#### Asociación de Damas Salesianas

We contributed Bs. 250,000 to support the Working Training Program of the association. To date, and due to this initiative, 1,130 young people have been trained and placed in employment.



Since 2004, Banesco  
and AVEC work together to  
improve and extend the  
infrastructure of AVECS'  
schools



## Customers' and Users' Requirements



1. Banesco, since 2008, maintains a technological tool named SIR (Comprehensive Requirement System), allowing managing customers' requirements through the different service channels, such as: BanescOnline, national agency networks, call center and administrative offices, offering a timely and efficient response in line with current regulations.

2. During the first six-month period of 2011, 79,195 financial requirements were processed amounting to Bs. 92,891,724.70. Since 80% of the cases resulted to be favorable for customers (63,532 requirements), Bs. 79,110,943.15 were refunded to customers.

### Financial Requirements Processed by Channel - I Half 2011

BanescOnline	36,227	45.7%	Bs. 16,000,811.19
Branches	36,084	45.6%	Bs. 65,332,312.93
Administrative / Specialized Segments	6,400	8.1%	Bs. 11,158,351.20
Telephone Banking	484	0.6%	Bs. 400,249.38
<b>Total</b>	<b>79,195</b>	<b>100.0%</b>	<b>Bs. 92,891,724.70</b>

3. During this period, 489,752 service requirements were processed (updating of customers' data, increase in the credit cards limit, replacement of credit cards, among other) related to the post-sale of our products and services, which were processed by the channels indicated in the attached charter:

### Financial Requirements Processed by Channel - I Half 2011

BanescOnline	98,644	20.1%
Branches	74,137	15.1%
Administrative / Specialized Segments	232,906	47.6%
Telephone Banking	84,065	17.2%
<b>Total</b>	<b>489,752</b>	<b>100.0%</b>

4. During the six-month period that just ended, the Compliance Level of the service supply in the Requirement Management service was 97.4%.

**During the first six-month period of 2011, 79,195 financial requirements were processed amounting to Bs. 92,891,724.70.**



## PRONOUNCEMENTS AS TO CREDIT RISK REPORTS

The Bank has maintained its reinforcement in the measure, control and follow-up of the risk level associated to the loan portfolio, especially regarding the tools processes and updating for the admission and monitoring of the Bank's loan portfolio operations. These measures are in conformity with the requirements for portfolio quality and risk management adequate to a sustainable and valuable risk/return ratio.

In connection therewith, during the first six-month period of 2011, actions for mass loans were focused on the implementation of different processes aimed at enhancing the loan risk management, which translated into adjustments to the scoring tool and analysis of payment behavior, in line with the Bank's profit growth strategy.

Additionally, certain strategies were designed aimed at improving the performance of the commercial loan, obtaining relevant results to the segment's risk. The compliance with all the aforementioned actions was supported by an adequacy of the Credit Risk unit structure, through the creation of specialized units aimed at addressing different Business areas, as per the type of credit they process, through the control and follow-up of associated risk factors.

Collection strategies continue adjusting to the risk profiles of customers and their products, maintaining effectiveness levels before a dynamic environment.

Joint actions for credit risk both in granting loans and collection of the loan portfolio allowed us to close this first period of 2011, with a default level of 1.38% and coverage of 171.78%.

## INFORMATION ON LENDING AND BORROWING OPERATIONS INDIVIDUALLY EXCEEDING 2% OF THE BANK'S EQUITY

During the first six-month period of 2011, the Bank has not received requests to open sight, savings or time deposit accounts for amounts equal or exceeding 2% of its equity. Additionally, it has approved 23 credit operations for amounts individually considered that exceed the referred to proportion, for a total amount of Bs.F. 2,820,483,000.

Furthermore, in accordance with the Adjustment Plan presented before the Superintendence of Banks and Other Financial Institutions, this Financial Institution is reviewing the procedures to guarantee the effective control on these operations.

## PROPOSAL SUBMITTED BY THE BOARD OF DIRECTORS WITH RESPECT TO THE CONSIDERATION AND DECISION OF THE GENERAL ORDINARY STOCKHOLDERS' MEETING SUMMONED BY SEPTEMBER 26, 2011, FOR THE PURPOSE OF DECLARING AND PAYING CASH DIVIDENDS

The Board of Directors submits to the consideration and decision of the stockholders their proposal to declare and pay a cash dividend for ONE HUNDRED TWENTY-NINE MILLION NINE HUNDRED EIGHTY-SEVEN THOUSAND FIVE HUNDRED BOLIVARS (Bs. 129,987,500.00) to be distributed as follows:

- ▶ The amount of ONE HUNDRED AND TWENTY MILLION BOLIVARS (Bs. 120,000,000.00), to holders of common shares.
- ▶ The amount of NINE MILLION NINE HUNDRED AND EIGHTY-SEVEN THOUSAND FIVE HUNDRED BOLIVARS (Bs. 9,987,500.00) to be paid to holders of preferred shares, corresponding to Issues I and II. This dividend shall be paid in February 15, 2012, in conformity with the corresponding prospectus of issue.

Should this proposal be approved, the power to determine the date for the payment of dividends shall rest on the Board of Directors.



Juan Carlos Escotet R.  
 Presidente

## General Communications received from the Superintendence of Banks and Other Financial Institutions

Received date	OFFICIAL COMMUNICATION'S NUMBER AND CONTENT
07-01-2011	<b>Official Communication No. 28694 Contribution to Sudeban.</b> The percentage applicable to determine the contribution to this entity corresponding to the first six-month period of 2011 (0.6 per one thousand of the average assets corresponding to the immediately previous six-month period).
19-01-2011	<b>Official Communication No. 00536. Electronic transfer of information: SIF.</b> Sudeban encouraged Financial Institutions to provide electronic information under the form and terms provided by the Financial Information System (SIF), emphasizing that they shall provide the complete numbers of the customers' accounts.
20-01-2011	<b>Official Communication No. 00572. Security Custody Agreements.</b> Sudeban encouraged financial institutions to include a clause authorizing Sudeban to request any information regarding securities held in custody into the service agreements with custody entities. For such purposes, the agreements must be previously approved by Sudeban.
01-02-2011	<b>Official Communication No. 1798. Prudential Regulation.</b> Sudeban informed at its website that there is a new Resolution N° 039.11 dated 31-01-2011 named: Standards related to the application and recording of net benefits generated by the effectiveness of exchange agreement N° 14 dated 30-12-2010.
08-02-2011	<b>Official Communication No. 2121. Tax Issues.</b> Through Sudeban, Seniat informed that individuals shall not be required to present a Non-Taxpayer Certificate when requiring any product or service. Individuals not subject to file the income tax return might prove income under 1,000 TU through an annual income breakdown or a statement of income signed by a Certified Public Accountant. Individuals obtaining net income over 1,000 TU or gross income over 1,500 TU must file the Income Tax Return, as well as any legal entity regardless the amount of its income or losses.
24-02-11	<b>Official Communication No. 3983. Non-applicability of savings accounts opened by IVSS. Regulation that prohibits making charges to deposit accounts without the authorization of the account holder.</b> In connection with a request from IVSS, Sudeban instructed in this Official Communication that those accounts are not within the assumptions provided by Articles 55 and 99, numeral 15, of the Banking Law.
01-03-2011	<b>Resolution No. 063.11. Prudential Regulation.</b> "Regulations establishing the guidelines and requisites to be filed for stockholders' meetings of banks, currency agencies and border exchange operators". The Official communication instructed that this Resolution shall not apply to General Stockholders' Meetings summoned to know and decide on the management activities corresponding to the second-six month period of 2010.
22-03-2011	<b>Official Communication No. 5851. Prudential Regulation.</b> Non-discrimination to open deposit accounts. Sudeban urged the financial system to "Avoid the Discrimination, Restriction, Discourage or Prohibition to Open Savings and/or Time Deposit Accounts". In connection therewith, it instructed the financial institutions not to limit, condition, restrict, discriminate, discourage or prohibit individuals in connection with: a) The minimum amounts required to open and maintain savings accounts; and 2) To open time deposits.
29-03-2011	<b>Official Communication No. 7152. Prevention and Control against Money Laundering and financing to terrorist activities.</b> Sudeban informed that it will publish at its web site, under the section Financial Intelligence National Unit (UNIF), the Feedback Report on Prevention and Control of Money Laundering and Financing to Terrorist Activities corresponding to the second-six month period of 2010.
04-04-2011	<b>Official Communication No. 7942. Sudeban ratified the content of Resolution N° 119.10.</b> Standards for Risk Management and Supervision in connection with Money Laundering and Financing to Terrorist Activities Crimes, regarding the obligation of keeping for the time provided by Article 51 of this resolution, the records of customers' operations and iden-

Received date	OFFICIAL COMMUNICATION'S NUMBER AND CONTENT
	tification data, including transactions for amounts under Ten Thousand US\$ and the Due Diligence requirements provided by this Resolution, in conformity with the policies established by the bank based on the customers' risk level.
04-04-2011	<b>Official Communication No. 7943. Sudeban ratified the content of Resolution 119.10.</b> Aspects related to the actions required to guarantee that foreign branches and subsidiaries observe the regulations against Money Laundering and Financing to Terrorist Activities in accordance with the requisites of effective regulations and GAFI Recommendations, especially in those countries not applying GAFI Recommendations.
15-4-2011	<b>Official Communication No. 9940. Non-discrimination for opening savings and/or time deposit accounts.</b> Sudeban instructed financial institutions not to limit, condition, restrict, discriminate, dissuade and/or prohibit nonprofit legal entities, to open savings and/or time deposit accounts.
28-4-2011	<b>Official Communication 10410. Sudeban ratified the content of Resolution N° 5 24.10 dated 19-10-2010.</b> Standards for the Unification of Information shown in the Screens of ATMs to be used by the Banking System Customers and Users.

## Particular communications received from the Superintendence of Banks and Other Financial Institutions

Received date	OFFICIAL COMMUNICATION'S NUMBER AND CONTENT
17-2-2011	<b>Official Communication No. 03280</b> , whereby the Bank is informed as to the results of the Special Visit on Banking Quality and Service conducted from January 17 to January 21, 2011 in eleven national agencies.
18-03-2011	<b>Official Communication No. 06269</b> , including the observations to the documents and reports sent by virtue of the Extraordinary Stockholders' Meeting held March 28, 2011.
18-3-2011	<b>Official Communication No. 06336</b> , whereby the Bank is informed as to the results of the Special Inspection conducted on: (i) repo operations carried out in October 2010; (ii) reasonability of account 325.00; (iii) termination of trust fund including the assets of Panama Branch and (iv) SITME transactions.
25-03-2011	<b>Official Communication No. 07396</b> , observations to requisites and reports sent by virtue of the General Ordinary Stockholders' Meeting held on March 28, 2011.
03-06-2011	<b>Official Communication No. 15567</b> , Sudeban pronounced as to the Adjusted Plan presented by the Bank in compliance with the provisions of the Banking Law and made certain comments as to its content.

## Banesco Banco Universal,C.A. | Balance Sheet

Stated in Million VEF

<b>ASSETS</b>	<b>JUN. 2011</b>	<b>DEC. 2010</b>	<b>JUN. 2010</b>	<b>DEC. 2009</b>	<b>JUN. 2009</b>
<b>CASH AND DUE FROM BANKS</b>	<b>13,710</b>	<b>17,345</b>	<b>11,284</b>	<b>11,611</b>	<b>9,475</b>
Cash	1,784	1,798	1,139	1,340	755
Central Bank of Venezuela	10,106	14,697	8,978	9,563	7,453
Local Banks and Other Financial Institutions	162	74	130	136	48
Foreign Banks	127	73	99	54	52
Head Office and Branches	0	0	0	0	0
Notes Receivable	1,531	703	938	518	1,167
(Provision for Bank Accounts)	0	0	0	0	0
<b>INVESTMENTS SECURITIES</b>	<b>8,016</b>	<b>4,782</b>	<b>5,011</b>	<b>5,983</b>	<b>6,635</b>
Investments in Central Bank	474	406	757	531	3,106
Investments in Trading Securities	0	0	0	0	0
Investments in Securities Available for Sale	5,772	2,066	1,977	3,380	1,471
Investments in Securities Held to-maturity	1,505	1,497	1,530	1,544	1,961
Limited Availability Investments	265	762	371	303	151
Other Security Investments	0	53	376	241	33
(Provision for Security Investments)	0	0	0	-16	-88
<b>LOAN PORTFOLIO</b>	<b>31,741</b>	<b>27,654</b>	<b>24,589</b>	<b>22,739</b>	<b>19,958</b>
Outstanding Credits	31,996	27,922	24,889	22,773	19,958
Restructured Credits	67	50	34	22	24
Past Due Credits	443	362	339	436	383
Credits in Litigation	5	8	37	17	7
(Provision for Credit Portfolio)	-769	-688	-711	-509	-414
<b>INTEREST AND COMMISSIONS RECEIVABLE</b>	<b>562</b>	<b>453</b>	<b>466</b>	<b>378</b>	<b>434</b>
Interest receivable from cash and due from banks	0	0	0	0	0
Interest receivable from security investments	131	57	49	34	69
Interest receivable from credit portfolio	521	456	420	394	381
Commissions Receivable	69	74	69	72	83
Interest Receivable on Other Accounts Receivable	0	0	0	0	0
(Provision for Interest Receivable and Other)	-159	-133	-72	-121	-99
<b>INVESTMENTS IN SUBSIDIARIES, AFFILIATES AND BRANCHES</b>	<b>4</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>167</b>
Investments in subsidiaries and affiliates	4	8	8	7	6
Investments in branches	0	0	0	0	162
(Provision for investments in subsidiaries, affiliates and branches)	0	0	0	0	0
<b>PROPERTY RECEIVED IN LIEU OF PAYMENT</b>	<b>30</b>	<b>36</b>	<b>2</b>	<b>5</b>	<b>0</b>
<b>PROPERTY IN USE</b>	<b>984</b>	<b>887</b>	<b>840</b>	<b>863</b>	<b>855</b>
<b>OTHER ASSETS</b>	<b>539</b>	<b>922</b>	<b>485</b>	<b>1,482</b>	<b>456</b>
<b>TOTAL ASSETS</b>	<b>55,586</b>	<b>52,087</b>	<b>42,684</b>	<b>43,066</b>	<b>37,980</b>



# Banesco Banco Universal,C.A. | Balance Sheet

Stated in Million VEF

<b>LIABILITIES</b>	<b>JUN. 2011</b>	<b>DEC. 2010</b>	<b>JUN. 2010</b>	<b>DEC. 2009</b>	<b>JUN. 2009</b>
<b>DEPOSITS FROM CLIENTS</b>	<b>48,101</b>	<b>45,832</b>	<b>37,175</b>	<b>37,763</b>	<b>33,326</b>
Deposits in Current Accounts	32,389	28,241	21,947	19,913	17,534
Non-Remunerated Checking Accounts	14,344	12,872	9,473	8,611	7,554
Remunerated Checking Accounts	18,046	15,369	12,474	11,302	9,979
Other Demand Liabilities	6,352	7,341	5,521	4,572	684
Obligations for Money Desk Operations	0	0	0	0	0
Savings Deposits	8,014	8,445	6,557	6,800	5,636
Time Deposits	68	11	3	21	3,500
Securities Issued by the Institution	0	0	0	0	0
Restricted Deposits from Clients	0	0	0	0	0
Right of Ownership and Participation on Security Investments	1,278	1,795	3,147	6,457	5,972
<b>OBLIGATIONS WITH BCV</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DEPOSITS AND OBLIGATIONS WITH BANAVIH</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>4</b>
<b>OTHER FINANCING OBTAINED</b>	<b>538</b>	<b>389</b>	<b>337</b>	<b>567</b>	<b>468</b>
Liabilities with Local Financial Institutions up to One Year	304	137	101	208	315
Liabilities with Local Financial Institutions more than One Year	0	0	0	0	0
Liabilities with Foreign Financial Institutions up to One Year	234	252	236	359	152
Liabilities with Foreign Financial Institutions more than One Year	0	0	0	0	0
Other Liabilities up to One Year	0	0	0	0	0
Other Liabilities more than One Year	0	0	0	0	0
<b>OTHER FINANCIAL OBLIGATIONS</b>	<b>32</b>	<b>60</b>	<b>20</b>	<b>28</b>	<b>4</b>
<b>INTEREST AND COMMISSIONS PAYABLE</b>	<b>17</b>	<b>21</b>	<b>49</b>	<b>130</b>	<b>118</b>
Expenses Payable Due to Deposits from Clients	17	20	49	129	116
Expenses Payable Due to Obligations with BCV	0	0	0	0	0
Expenses Payable Due to Deposits and Liabilities with BANAVIH	0	0	0	0	0
Expenses Payable Due to Other Financing Obtained	1	0	0	0	1
Expenses Payable Due to Other Financial Obligations	0	0	0	0	0
Expenses Payable Due to Obligations Convertible to Capital	0	0	0	0	0
Expenses Payable Due to Subordinated Debt	0	0	0	0	0
<b>ACCRUALS AND OTHER LIABILITIES</b>	<b>2,016</b>	<b>1,550</b>	<b>1,291</b>	<b>980</b>	<b>947</b>
<b>SUBORDINATED DEBT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OTHER LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>50,705</b>	<b>47,852</b>	<b>38,875</b>	<b>39,469</b>	<b>34,867</b>
<b>STOCKHOLDERS' EQUITY</b>					
<b>CAPITAL STOCK</b>	<b>1,250</b>	<b>1,250</b>	<b>1,204</b>	<b>1,125</b>	<b>1,050</b>
Capital Paid-in	1,250	1,250	1,204	1,125	1,050
<b>PAID-IN SURPLUS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL RESERVES</b>	<b>766</b>	<b>705</b>	<b>654</b>	<b>614</b>	<b>582</b>
<b>EQUITY ADJUSTMENTS</b>	<b>264</b>	<b>158</b>	<b>174</b>	<b>0</b>	<b>0</b>
<b>ACCUMULATED INCOME</b>	<b>2,566</b>	<b>2,142</b>	<b>1,816</b>	<b>1,742</b>	<b>1,553</b>
<b>NON-REALIZED GAIN OR (LOSS) ON AVAILABLE FOR SALE SECURITY INVESTMENTS</b>	<b>68</b>	<b>15</b>	<b>-3</b>	<b>151</b>	<b>-37</b>
<b>(TREASURY STOCK)</b>	<b>-35</b>	<b>-35</b>	<b>-35</b>	<b>-35</b>	<b>-35</b>
<b>TOTAL LIABILITIES</b>	<b>4,880</b>	<b>4,235</b>	<b>3,809</b>	<b>3,598</b>	<b>3,113</b>
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>55,586</b>	<b>52,087</b>	<b>42,684</b>	<b>43,066</b>	<b>37,980</b>
<b>CONTINGENT DEBTOR ACCOUNTS</b>	<b>10,084</b>	<b>12,531</b>	<b>1,012</b>	<b>1,168</b>	<b>812</b>
<b>TRUST ASSETS</b>	<b>7,521</b>	<b>7,180</b>	<b>6,656</b>	<b>6,020</b>	<b>6,155</b>
<b>OTHER TRUST ASSIGNMENTS</b>	<b>177</b>	<b>198</b>	<b>148</b>	<b>159</b>	<b>130</b>
<b>DEBTOR ACCOUNTS DUE TO TRUST ASSIGNMENTS (HOUSING MUTUAL FUND)</b>	<b>4,942</b>	<b>4,401</b>	<b>3,879</b>	<b>3,376</b>	<b>2,890</b>
<b>OTHER DEBTOR ACCOUNTS (HOUSING MUTUAL FUND)</b>	<b>12</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>8</b>
<b>OTHER DEBTOR MEMORANDUM ACCOUNTS</b>	<b>159,741</b>	<b>142,055</b>	<b>137,466</b>	<b>106,725</b>	<b>69,332</b>
<b>OTHER DEBTOR BOOK ACCOUNTS</b>	<b>26</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>25</b>

## Banesco Banco Universal,C.A. | Statements of Earnings

Stated in Million VEF

	JUN. 2011	DEC. 2010	JUN. 2010	DEC. 2009	JUN. 2009
<b>FINANCIAL REVENUES</b>	<b>3,410</b>	<b>2,986</b>	<b>2,689</b>	<b>2,588</b>	<b>2,561</b>
Revenues from Cash and Cash Equivalents	2	2	0	1	0
Revenues from Security Investments	397	179	179	247	307
Revenues from Credit Portfolio	2,956	2,733	2,475	2,281	2,224
Revenues from Other Accounts Receivable	29	32	32	34	27
Revenues from Investments in Subsidiaries, Affiliates and Branches	0	0	0	0	0
Revenues from Head Office and Branches	0	0	0	0	0
Other Debtor Book Accounts	26	40	3	25	2
<b>FINANCIAL EXPENSES</b>	<b>734</b>	<b>794</b>	<b>901</b>	<b>1,174</b>	<b>1,268</b>
Expenses Due to Deposits from Clients	726	779	894	1,117	1,250
Expenses Due to Obligations with BCV	0	0	0	0	0
Expenses Due to Deposits and Obligations with BANAVIH	0	0	0	0	0
Expenses Due to Other Financing Obtained	6	6	2	10	9
Expenses Due to Other Financial Obligations	0	0	0	0	0
Expenses Due to Subordinated Debt	0	0	0	0	0
Expenses Due to Head Office and Branches	0	0	0	0	0
Other Financial Expenses	2	9	5	47	8
<b>GROSS FINANCIAL MARGIN</b>	<b>2,676</b>	<b>2,192</b>	<b>1,788</b>	<b>1,414</b>	<b>1,293</b>
Income from Recovered Financial Assets	69	62	34	29	11
Expenses Due to Uncollectibility of Credits and Other Accounts Receivable	426	330	612	483	261
Provision for Loan Portfolio and Other Accounts Receivable, Losses	426	330	612	483	261
Provision for Cash and Due from Banks	0	0	0	0	0
<b>NET FINANCIAL MARGIN</b>	<b>2,319</b>	<b>1,925</b>	<b>1,210</b>	<b>960</b>	<b>1,042</b>
Other Operating Income	702	749	2,046	1,209	739
Other Operating Expenses	178	219	1,042	396	222
<b>FINANCIAL INTERMEDIATION MARGIN</b>	<b>2,843</b>	<b>2,455</b>	<b>2,215</b>	<b>1,772</b>	<b>1,559</b>
<b>TRANSFORMATION EXPENSES</b>	<b>2,039</b>	<b>1,856</b>	<b>1,603</b>	<b>1,312</b>	<b>1,176</b>
Personnel Expenses	800	695	663	567	526
Administrative and General Expenses	907	891	748	651	556
Contributions to Deposit Guarantee and Bank Protection Fund	304	245	169	71	73
Contributions to Superintendency of Banks and Other Financial Institutions	27	25	24	22	21
<b>GROSS OPERATING MARGIN</b>	<b>804</b>	<b>599</b>	<b>612</b>	<b>461</b>	<b>383</b>
Income from Adjudicated Goods	7	8	6	11	11
Income from Special Programs	0	0	0	0	0
Income from Sundry Accounts	31	32	28	21	60
Expenses Due to Realizable Property	7	4	3	1	0
Expenses for Depreciation, Amortization and Devaluation of Miscellaneous Goods	0	0	0	0	0
Expenses Due to Sundry Accounts	220	124	232	152	155
<b>NET OPERATING MARGIN</b>	<b>616</b>	<b>512</b>	<b>411</b>	<b>339</b>	<b>298</b>
Extraordinary Income	0	0	0	0	0
Extraordinary Expenses	5	9	6	7	4
<b>GROSS INCOME BEFORE TAXES</b>	<b>610</b>	<b>503</b>	<b>405</b>	<b>332</b>	<b>295</b>
Income Taxes	0	0	2	10	5
<b>NET INCOME</b>	<b>610</b>	<b>503</b>	<b>403</b>	<b>322</b>	<b>290</b>
<b>APPLICATION OF NET INCOME</b>					
Legal Reserve	61	51	40	32	29
Statutory Utilities	0	0	0	1	1
Other Capital Reserves	0	0	0	0	0
<b>ACCUMULATED INCOME</b>	<b>549</b>	<b>453</b>	<b>359</b>	<b>286</b>	<b>257</b>
<b>LOSEP CONTRIBUTION</b>	<b>7</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>3</b>
<b>OTHER ACCOUNTS</b>					
Third-Party Investments	0	0	0	0	223
Monthly Agriculture Credit Portfolio	1,011	295	469	400	494
Accumulated Agriculture Credit Portfolio	6,293	5,350	4,525	3,816	3,373
Public Sector Deposits	4,209	3,517	3,159	2,820	2,805
Micro-Credits	1,364	1,375	1,112	1,004	798
Credits to the Segment of Tourism in accordance to law in force	692	735	442	466	343
Mortgages according to the Special Law for the Protection of the Housing Loan Debtor	3,377	3,202	3,012	2,635	2,117
Financial Soundness Ratio	10.15%	8.85%	9.73%	9.34%	8.80%
Manufacturing Loans	2,508	2,417	1,889	2,112	1,268

## Banesco Banco Universal,C.A. | Trusts

Stated in Million VEF

	JUN. 2011	DEC. 2010	JUN. 2010	DEC. 2009	JUN. 2009
<b>HERITAGE TRUST</b>	<b>7,141</b>	<b>6,789</b>	<b>6,394</b>	<b>5,710</b>	<b>5,851</b>
<b>INVESTMENT TRUSTS</b>	<b>1,629</b>	<b>846</b>	<b>1,297</b>	<b>620</b>	<b>691</b>
Individuals	712	91	64	50	57
Corporative Entities	138	144	114	98	84
Central Administration	2	0	0	0	0
Public, State, Municipal and Central Administrations	0	0	0	0	0
Decentralized Entities and Other Entities with Special Regime	776	611	1,120	472	551
<b>GUARANTEE TRUST</b>	<b>1,339</b>	<b>1,338</b>	<b>1,251</b>	<b>1,078</b>	<b>1,078</b>
Individuals	1	1	6	1	2
Corporative Entities	1,326	1,325	1,233	1,065	1,064
Central Administration	0	0	0	0	0
Public, State, Municipal and Central Administrations	0	0	0	0	0
Decentralized Entities and Other Entities with Special Regime	12	12	12	12	12
<b>MANAGEMENT TRUSTS</b>	<b>3,896</b>	<b>4,387</b>	<b>3,635</b>	<b>3,802</b>	<b>3,896</b>
Individuals	942	822	923	784	639
Corporative Entities	159	128	183	221	271
Central Administration	71	66	67	30	21
Public, State, Municipal and Central Administrations	0	0	0	0	0
Decentralized Entities and Other Entities with Special Regime	2,724	3,371	2,463	2,766	2,966
<b>FEATURES MIXED TRUSTS</b>	<b>277</b>	<b>218</b>	<b>210</b>	<b>210</b>	<b>186</b>
Individuals	0	0	0	0	0
Corporative Entities	0	0	0	0	0
Central Administration	0	0	0	0	0
Public, State, Municipal and Central Administrations	0	0	0	0	0
Decentralized Entities and Other Entities with Special Regime	277	218	210	210	186
<b>OTHER TRUSTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Individuals	0	0	0	0	0
Corporative Entities	0	0	0	0	0
Central Administration	0	0	0	0	0
Public, State, Municipal and Central Administrations	0	0	0	0	0
Decentralized Entities and Other Entities with Special Regime	0	0	0	0	0

## Banesco Banco Universal,C.A. | Principal Financial Indicators

	JUN. 2011	DEC. 2010	JUN. 2010	DEC. 2009	JUN. 2009
<b>1. EQUITY</b>					
Equity + Operative Management / Total Assets	10.15%	8.85%	9.73%	9.34%	8.80%
Non-Productive Assets / Equity + Operative Management	297.52%	435.39%	312.46%	372.98%	332.17%
<b>2. ASSETS QUALITY</b>					
Loan Portfolio Provisions / Gross Loan	2.37%	2.43%	2.81%	2.19%	2.03%
Non Accrual Loans / Gross Loan Portfolio	1.38%	1.30%	1.49%	1.95%	1.91%
<b>3. MANAGEMENT</b>					
Personnel Expenses + Operative Expenses/ Average Productive Assets *	8.97%	9.55%	9.30%	8.26%	8.10%
Personnel Expenses + Operative Expenses / Financial Income *	50.07%	52.81%	52.47%	44.68%	42.24%
<b>4. EARNINGS</b>					
Net Results / Average Assets *	2.32%	2.06%	1.90%	1.60%	1.58%
Net Results / Average Equity *	26.45%	23.60%	21.95%	19.20%	19.02%
<b>5. LIQUIDITY</b>					
Availability / Customer Funds	28.50%	37.85%	30.35%	30.75%	28.43%
Availability + Investment in Securities / Customer Funds	41.49%	43.24%	37.71%	41.10%	42.16%

\* Annual Percentages

## Credit Portfolio per Type of Economic Activity | June 2011

Stated in Million VEF

	Total	Composition
Agriculture, Fishing and Forest	5,635	17.33%
Hydrocarbons and Mining Exploitation	2	0.01%
Manufacturing Industry	2,508	7.72%
Electricity, Gas and Water	3	0.01%
Construction	4,086	12.57%
Trade, Restaurants and Hotels	4,413	13.57%
Transport, Storage and Communications	520	1.60%
Financial Stablishments, Real State and Services Provided to Companies	14,825	45.60%
Community, Social and Personal Services	519	1.60%
Non Well-specified Activities	0	0.00%
<b>TOTAL</b>	<b>32,510</b>	<b>100.00%</b>



## Banesco Banco Universal, C.A. | Social Balance Accumulated 1998 - I Half 2011

Stated in Million VEF

DESCRIPTION	I Half 2011	Accumulated 1998 - I Half 2011
<b>SOCIAL INVESTMENT</b>		
<b>Application Banesco Resources</b>	<b>14,340,800</b>	<b>166,381,587</b>
Fe y Alegría	740,820	22,496,199
State Foundation for the Venezuelan System of Children and Youth Orchestras (FESNOJIV)	—	9,853,665
Association of Venezuelan Catholic Education (AVEC)	1,000,000	7,036,091
Universities and Other Institutions	772,350	7,419,425
Banesco Life-Long Scholarships	243,497	1,718,192
Other Education Institutes and Organizations	230,456	2,117,949
Venezuelan Foundation against Child Paralysis	—	1,693,919
Venezuelan Red Cross	—	701,945
Other Health and Medical Care Organizations	—	1,195,036
FUNDANA	—	1,725,254
Civil Association Don Bosco Houses Network	693,127	2,164,332
Salesian Ladies Civil Association	250,000	1,579,441
Attendance to the childhood and people with special neccessities	183,385	2,285,355
Toys donation to the communities	—	3,108,451
Editorial Projects	61,720	4,755,778
Computers donations	—	417,958
Other contributions	—	6,571,067
Solidarity (Capital and Regional)	—	4,173,892
Social Undertaking Project with the IESA	—	1,290,000
Words for Venezuela	—	3,307,401
Investment in works in Colinas de Bello Monte	—	3,033,123
Social work of the Church	—	947,717
Mayoralties, regional governments and other State Organizations	—	4,545,254
Non-Contractual Social Benefits for Banesco Employees	10,122,205	71,619,818
Corporate Volunteering Contribution	43,240	624,325
<b>APLICACION OF ARTICLE 96 (LOCTISEP)</b>	<b>—</b>	<b>33,612,457</b>
Association of Venezuelan Catholic Education (AVEC)	—	4,434,352
Children Museum	—	300,000
FUNDANA	—	110,000
Alliance for Venezuela Free of Drugs	—	100,000
ABC PRODEIN (School Santa María City, Petare. CISAMA)	—	276,000
Educational Foundation Canaima Schools	—	571,950
Civil Association Don Bosco Houses Network	—	2,853,406
Education (Campaign against drugs and sports events)	—	24,966,749
Prevention and Control of Money Laundering	—	—
<b>TOTAL SOCIAL INVESTMENT</b>	<b>14,340,800</b>	<b>199,994,044</b>
<b>CONTRACTED COMMITMENTS</b>	<b>1,074,144</b>	<b>1,074,144</b>
Fe y Alegría	1,074,144	1,074,144
<b>TOTAL CONTRACTED COMMITMENTS</b>	<b>1,074,144</b>	<b>1,074,144</b>
<b>GENERAL TOTAL SOCIAL INVESTMENT PLUS COMMITMENTS MADE</b>	<b>15,414,944</b>	<b>201,068,188</b>

### Directors

Juan Carlos Escotet	Gonzalo Clemente
Luis Xavier Luján	Miguel Ángel Marcano
Salvador Eduardo Cores	José Rafael Padrón
María Josefina Fernández	Daisy Josefina Véliz
Nelson Orlando Becerra	Olga Elena Marcano
Fernando Crespo	



## Main Correspondent Banks

**Argentina** Banco de la Provincia de Buenos Aires, Banco de la Nación Argentina, Banco Supervielle, Banco Credicoop, Grupo Macro, Banco Patagonia, Deutsche Bank, HSBC Bank, Banco CMF.

**Australia** ANZ Bank.

**Austria** Unicredit Group, RZB A.G.

**Belgium** Commerzbank

**Bolivia** Banco Económico, Banco Do Brasil, Banco de la Nación Argentina, Banco Nacional de Bolivia, Banco BISA, Banco de Crédito de Bolivia, Banco Mercantil de Santa Cruz, Banco Ganadero.

**Brazil** Banco Bradesco, Banco Do Brasil, Banco Itau S.A., HSBC Bank, Banco ABC Brasil, Banco Safra, Banco Santander, Deutsche Bank.

**Canada** Royal Bank of Canada.

**Chile** Banco Estado, Banco Santander, Bci Banco de Crédito e Inversiones, Banco Do Brasil, Banco de Chile, Banco BICE.

**China** Standard Chartered Bank, Commerzbank A.G., HSBC Bank, Deutsche Bank A.G., Citibank, N.A., Bank of China, The Industrial and Commercial Bank of China.

**Colombia** Banco de Bogotá, Bancolombia, Bancoldex, Banco de Occidente, Banco Santander.

**Costa Rica** Banco Nacional de Costa Rica, Banco de Costa Rica, Banco Improsa, HSBC Bank.

**Curazao** Maduro & Curiel's Bank.

**Denmark** Danske Bank, Nordea Bank.

**Dominican Republic** Banco de Reservas, Banco BHD, Banco Popular.

**Ecuador** Banco del Pichincha, Banco del Pacífico, Produbanco, Banco de Guayaquil, Banco Internacional.

**El Salvador** Citibank El Salvador (antes Banco Cuscatlán), Banco Agrícola, HSBC BANK (antes Banco Salvadoreño).

**England** The Royal Bank of Scotland, HSBC Bank P.L.C.

**Finland** Nordea Bank.

**France** Crédit Industriel et Commercial, Société Générale.

**Germany** Commerzbank A.G., Unicredit Group, Deutsche Bank.

**Guatemala** Banco Industrial, Banco GT Continental, Banco Agromercantil.

**Holland** Commerzbank A.G., Deutsche Bank

**Honduras** Banco Atlántida, Grupo Financiero Ficohsa, Banpais, Banco Continental.

**Hong Kong** Standard Chartered Bank, Deutsche Bank A.G., Citibank N.A., Unicredit Group, Commerzbank A.G.

**India** Standard Chartered Bank, Deutsche Bank, HSBC Bank.

**Italy** Banca Nazionale del Lavoro, Unicredit Group, Intesa - San Paolo.

**Japan** The Bank of Tokyo and Mitsubishi Bank, Standard Chartered Bank, Citibank N.A., Unicredit Group., Commerzbank Ag., Deutsche Bank.

**Korea** Standard Chartered Bank, Citibank N.A., Deutsche Bank, Commerzbank A.G.

**Malaysia** Standard Chartered Bank.

**Malta** FimBank

**Mexico** Banamex, S.A. (Citibank), HSBC Bank, Banco Santander, Banco del Bajío, Banco Regional, Banorte, BBVA Bancomer.

**New Zealand** ANZ Bank.

**Nicaragua** Banpro, Bancentro.

**Norway** Nordea Bank.

**Panama** HSBC Bank, Multibank, Credicorp Bank

**Paraguay** Banco Do Brasil, Banco de la Nación Argentina, Banco Sudameris, Banco Continental, Banco Regional.

**Peru** Banco de Crédito del Perú, Banco Financiero, Interbank, Scotia Bank, BIF, Citibank.

**Portugal** Banco Espirito Santo S.A., Banco Banif, Millennium BCP, Caixa Geral de Depósitos.

**Puerto Rico** Banco Popular de Puerto Rico.

**Singapore** Standard Chartered Bank, Unicredit Group., Deutsche Bank, Commerzbank A.G.

**Spain** HSBC Bank, Commerzbank Ag., La Caixa.

**Sweden** Nordea Bank, Svenska Handelsbanken.

**Switzerland** Commerzbank AG., Deutsche Bank

**Uruguay** Banco de la Nación Argentina, Banco Credit Uruguay, BBVA, Banco de la República Oriental del Uruguay.

**U.S.A.** Standard Chartered Bank, JP Morgan Chase Bank, Wells Fargo, Citibank N.A, HSBC Bank, Deutsche Bank A.G., Commerzbank A.G.

### Banesc International Presence Group

- ▶ Banesco S.A., Panama (before Banesco International Bank Inc.)
- ▶ Banesco USA (Miami, Puerto Rico)
- ▶ Banesco Banco Múltiple, S.A. (Dominican Republic)

### Representative Offices

Banesco Banco Universal C.A., Representative Office in Bogotá

### International Mailing Address

Banesco Banco Universal C.A. 8424 NW, 56 Street, Suite CCS00283, Miami, Florida 33166, U.S.A.

### Main Offices

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