



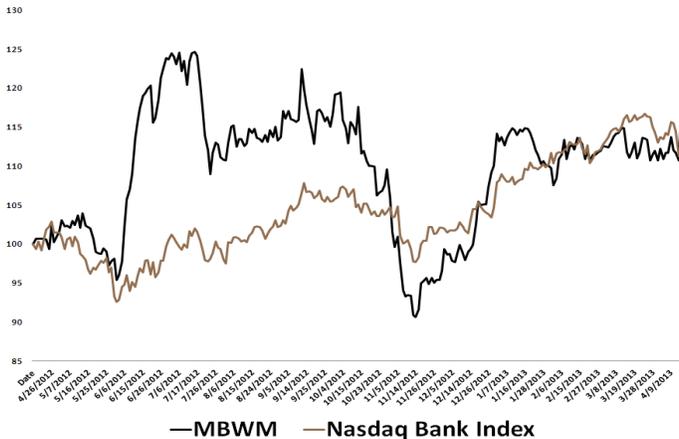
# MERCANTILE<sup>®</sup> BANK CORPORATION

**MBWM**  
**NASDAQ**  
LISTED

## Investor Fact Sheet | First Quarter 2013

**MARKET PRICE:** \$16.73 (as of market close on 4-19-13)

**52-WEEK PRICE RANGE:** \$13.41— \$18.69



**MARKET CAP:** \$145.64 million

**AVG. DAILY VOLUME:** 19,164

**TOTAL SHARES OUTSTANDING:** 8,705,412

**MOST RECENT FISCAL YEAR END:** December 31, 2012

**FIRST QUARTER 2013 HIGHLIGHTS:**

- Improved profitability as asset quality continued to improve
- Nonperforming assets declined 64 percent from a year ago; currently represent 1.4 percent of total assets
- Level of loans in the 30- to 89-days delinquent category remained very low
- Net interest margin remained steady and well above historical average level
- New loan originations of approximately \$50 million during the first quarter
- Announced second quarter cash dividend of \$0.11 per common share, or a current yield of 2.6 percent, up from first quarter cash dividend of \$0.10 per common share

**RESEARCH:**

Keefe, Bruyette & Woods  
Raymond James Financial, Inc.  
FIG Partners

John Barber  
Dan Cardenas  
John Rodis

**OWNERSHIP:**

Institutional Ownership: 36.00%  
Insider Ownership: 22.64%  
Retail/Other: 41.36%

## Company Profile

Based in Grand Rapids, Michigan, Mercantile Bank Corporation is the bank holding company for Mercantile Bank of Michigan. Founded in 1997 to provide banking services to businesses, individuals and governmental units, the Bank differentiates itself on the basis of service quality and the expertise of its banking staff. Mercantile has seven full-service banking offices in Grand Rapids, Holland and Lansing, Michigan. Mercantile Bank Corporation's common stock is listed on the NASDAQ Global Select Market under the symbol "MBWM."

## Recent News

**April 16, 2013** — Mercantile Bank Corporation (NASDAQ: MBWM) reported net income attributable to common shares of \$4.4 million, or \$0.50 per diluted share, for the first quarter of 2013, compared with net income attributable to common shares of \$2.6 million, or \$0.28 per diluted share, for the prior-year period.

**April 16, 2013** — Mercantile Bank Corporation (NASDAQ: MBWM) announced today that on April 11, 2013 its Board of Directors declared a regular quarterly cash dividend of \$0.11 per common share, payable June 10, 2013 to holders of record as of May 10, 2013.

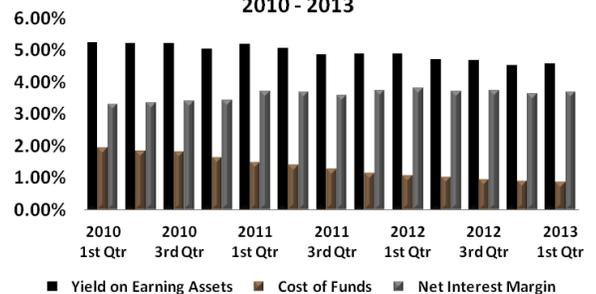
**March 22, 2013** — Mercantile Bank Corporation (NASDAQ: MBWM) announced today that it has won the honor of being named one of West Michigan's 101 Best and Brightest Companies to Work For™.

	1Q13	1Q12	2012	2011
Net Income (Loss)	\$4.4	\$2.6	\$11.5	\$36.1
EPS (fully diluted)	\$0.50	\$0.28	\$1.30	\$4.07
Return on Assets	1.28%	0.73%	0.82%	2.36%
Return on Equity	12.07%	6.14%	7.51%	27.28%
Total Assets	\$1,385	\$1,401	\$1,423	\$1,433
Shareholders' Equity	\$150	\$167	\$147	\$165

In millions except per share data

**NET INTEREST MARGIN**

2010 - 2013



The information featured on this fact sheet is not an offer to buy or sell securities. This fact sheet was prepared by Lambert, Edwards & Associates (LE&A), which serves as investor relations counsel to Mercantile Bank Corporation ("the Company") and has a contract to receive fees. Information or opinions contained in this fact sheet are presented solely for information purposes and should not be construed as investment advice. Information used and statements of fact have been obtained from the Company featured and other sources that are believed to be reliable; however, LE&A does not warrant or guarantee the information contained herein. For more information, or specific questions, please contact Robert Burton of Lambert, Edwards & Associates at 616.233.0500 or e-mail at [burton@lambert-edwards.com](mailto:burton@lambert-edwards.com).



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## Investor Fact Sheet | First Quarter 2013

### Focus on Technology

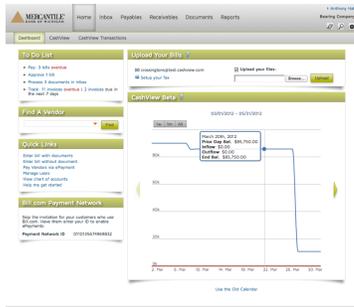
#### Virtual Branch Strategy

Mercantile Bank Corporation, through its subsidiary Mercantile Bank of Michigan, satisfies the demands of increasingly tech-savvy customers through their offerings in virtual banking. The first bank to partner with Paypal<sup>®</sup>, Mercantile is at the leading edge of the technology world with products such as: **MercMobile<sup>®</sup>**, a powerful all-in-one application allowing users to access account information, transfer money, and pay bills from the ease of a cell phone; **Merc@Home<sup>®</sup>**, allowing customers to deposit checks online from the convenience of their home or office, or any location with an internet connection; and **FinanceWorks<sup>®</sup>**, an online management tool that allows customers to manipulate all of their accounts (including accounts with other financial institutions) using a single, robust solution powered by Quicken.



#### Small Business

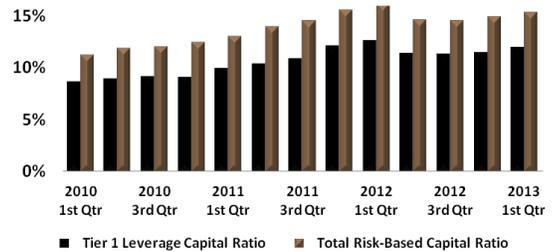
Mercantile offers an array of tools for small-business owners, inclusive of Accounts Receivable and Accounts Payable reporting functions. Furthermore, owners can save time and money using **Mercantile Payroll Services** to streamline their process.



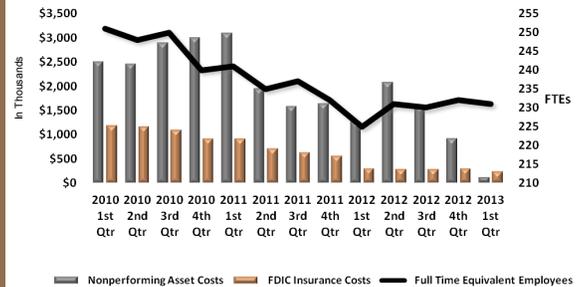
### Why Mercantile?

- Emerged from deep recession without long-term capital/regulatory issues
- Positioned for immediate and long-term growth
- Experienced management team
- Strong regulatory capital position
- Proven track record of performance
- Focus on technology
- Well established, long-standing relationships

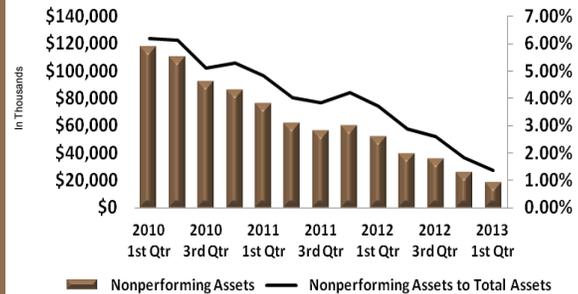
#### BANK REGULATORY CAPITAL RATIOS 2010 - 2013



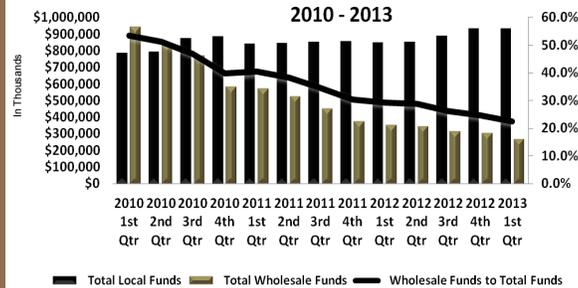
#### OVERHEAD COSTS 2010 - 2013



#### NONPERFORMING ASSETS 2010 - 2013



#### FUNDING COMPOSITION 2010 - 2013



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