

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-13** | Period of Report: **1994-03-31**
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FILER

MERCANTILE BANCORPORATION INC

CIK: **64907** | IRS No.: **430951744** | State of Incorporation: **MO** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-11792** | Film No.: **94528393**
SIC: **6021** National commercial banks

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FORM 10-Q

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended March 31, 1994 Commission File Number 1-11792

Mercantile Bancorporation Inc.

(Exact Name of Registrant as Specified in Its Charter)

Missouri

43-0951744

(State of Incorporation)

(IRS Employer Identification No.)

P.O. Box 524

St. Louis, Missouri

63166-0524

(Address of Principal Executive Offices)

(Zip Code)

Registrant's Telephone Number, Including Area Code (314) 425-2525

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

X

Yes

No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, \$5.00 par value, 42,971,865 shares outstanding as of the close of business on April 30, 1994.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

<TABLE>

The following consolidated financial statements, included in the Quarterly Report of the Registrant to its Shareholders for the quarter ended March 31, 1994, attached hereto as Exhibit 19, are incorporated herein by reference:

<CAPTION>

STATEMENT	Quarterly Report Reference
Consolidated Statement of Income - Three Months ended March 31, 1994 and 1993.	Page 15
Consolidated Balance Sheet as of March 31, 1994 and December 31, 1993.	Page 16
Consolidated Statement of Cash Flows - Three Months ended March 31, 1994 and 1993.	Page 18

</TABLE>

The following notes to the consolidated financial statements are included as a part of this report:

Mercantile Bancorporation Inc. and Subsidiaries
Notes to Consolidated Financial Statements

NOTE 1

The consolidated financial statements include all adjustments which are, in the opinion of management, necessary to a fair statement of the results of these periods and are of a normal recurring nature.

NOTE 2

On February 10, 1994, the Registrant declared a three-for-two stock split, in the form of a dividend, which was distributed on April 11, 1994 to shareholders of record on March 10, 1994. All per share amounts and average shares outstanding have been restated to give effect to the stock split except for share amounts contained in Part II, Item 4 of this report.

NOTE 3

Effective January 3, 1994, the Registrant acquired Metro Bancorporation, a Waterloo, Iowa-based bank holding company with assets totaling \$370 million. Effective February 1, 1994, the Registrant acquired United Postal Bancorp, Inc., holding company for United Postal Savings Association, with total assets approximating \$1.3 billion. Both of these acquisitions were accounted for as poolings-of-interests. The historical consolidated financial statements as of December 31, 1993 and for the period ended March 31, 1993 have been restated to reflect this transaction.

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<TABLE>

Net income and net income per share for the Registrant and the pooled companies prior to restatement were as follows:

<CAPTION>

Three months ended
March 31, 1993
(\$ in thousands except
per share data)

<S>	<C>
REGISTRANT	
Net income	\$27,179
Net income per share	.78
METRO BANCORPORATION	
Net income	883
Net income per share	1.70
UNITED POSTAL BANCORP, INC.	

Net income 5,003

Net income per share .83

</TABLE>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Management's Discussion and Analysis of Financial Condition and Results of Operations, included on pages 3 - 14 in the Quarterly Report of the Registrant to its Shareholders for the quarter ended March 31, 1994 is incorporated herein by reference.

PART II OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of shareholders of the Registrant was held on April 28, 1994. Of 28,616,629 shares issued, outstanding and eligible to be voted at the meeting, 23,973,995 shares, constituting a quorum, were represented in person or by proxy. Seven (7) matters were submitted to a vote of the security-holders at the meeting.

<TABLE>

1. ELECTION OF DIRECTORS. The first matter was the election of six

Class III director nominees to the Board of Directors. The Articles of Incorporation of the Registrant allow cumulative voting in all director elections and all shareholders were accordingly allowed to cumulate their votes for directors if they so desired. Upon tabulation of the votes cast, it was determined that all six director nominees had been elected. The voting results are set forth below:

<CAPTION>

Name ----	For ---	Withheld -----
<S>	<C>	<C>
Harry M. Cornell, Jr.	23,776,330	197,665
Bernard A. Edison	23,772,570	201,425
Thomas H. Jacobsen	23,786,137	187,858
Craig D. Schnuck	23,786,736	187,259
Robert W. Staley	23,776,082	197,913
Robert L. Stark	23,771,607	202,388

</TABLE>

Because Registrant has a staggered Board, the term of office of the following named Class I and Class II directors, who were not up for election at the 1993 annual meeting, continued after the meeting:

Class I (continue in office until 1995)

Thomas A. Hays	Patrick T. Stokes
James B. Malloy	Francis A. Stroble
Harvey Saligman	Joseph G. Werner
	John A. Wright

Class II (continue in office until 1996)

Richard P. Conerly	William A. Hall
Earl K. Dille	William G. Heckman
J. Cliff Eason	Charles H. Price

2. PROPOSAL TO AMEND THE ARTICLES OF INCORPORATION TO INCREASE THE

 AUTHORIZED NUMBER OF SHARES OF COMMON STOCK. The second matter, a

 proposal to Amend the Articles of Incorporation of the Registrant to increase the number of authorized shares of common stock, \$5.00 par value, of the Registrant from 70,000,000 shares to 100,000,000 shares, was approved by a majority of the 28,616,629 shares of the Registrant's Common Stock which were issued, outstanding and eligible to vote. The voting results on this matter were as follows:

21,286,548	For
2,370,211	Against
317,236	Abstain
0	Broker Non-Votes

3. PROPOSAL TO ADOPT MERCANTILE BANCORPORATION INC. 1994 STOCK

 INCENTIVE PLAN. The third matter, a proposal to adopt the Mercantile

 Bancorporation Inc. 1994 Stock Incentive Plan, a plan which provides for the granting of stock options and other stock based awards to employees, was approved by a vote of a majority of the shares of the Registrant's Common Stock present and voting at the Annual meeting, as follows:

19,665,986	For
2,613,735	Against
477,365	Abstain

1,216,909 Broker Non-Votes

4. PROPOSAL TO QUALIFY RESTRICTED PERFORMANCE UNIT GRANTS UNDER

MERCANTILE BANCORPORATION INC. 1994 STOCK INCENTIVE PLAN AS "PERFORMANCE-

BASED". The fourth matter, a proposal to approve the performance-based

structure adopted by the Board of Directors and described in the Proxy
Statement for the grant of Restricted Performance Units under the
Mercantile Bancorporation Inc. 1994 Stock Incentive Plan, which approval
was necessary to qualify said grants as "Performance-Based", was approved
by a vote of a majority of the shares of the Registrant's Common Stock
present and voting at the Annual meeting, as follows:

21,381,748	For
1,906,680	Against
685,567	Abstain
0	Broker Non-Votes

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5. PROPOSAL TO ADOPT MERCANTILE BANCORPORATION INC. 1994 EXECUTIVE

INCENTIVE COMPENSATION PLAN. The fifth matter, a proposal to adopt the

Mercantile Bancorporation Inc. 1994 Executive Incentive Compensation Plan,
a plan which provides senior Mercantile officers with annual bonus
opportunities based upon preestablished performance objectives, was
approved by a vote of a majority of the shares of the Registrant's Common
Stock present and voting at the Annual meeting, as follows:

20,856,873	For
2,546,415	Against
570,707	Abstain
0	Broker Non-Votes

6. PROPOSAL TO ADOPT MERCANTILE BANCORPORATION INC. VOLUNTARY DEFERRED

COMPENSATION PLAN. The sixth matter, a proposal to adopt the Mercantile

Bancorporation Inc. Voluntary Deferred Compensation Plan, a plan pursuant
to which qualifying employees are entitled to defer receipt of all or a

portion of their annual compensation, was approved by a vote of a majority of the shares of the Registrant's Common Stock present and voting at the Annual meeting, as follows:

22,318,639	For
1,098,986	Against
556,370	Abstain
0	Broker Non-Votes

7. PROPOSAL TO ADOPT MERCANTILE BANCORPORATION INC. 1994 STOCK

INCENTIVE PLAN FOR NON-EMPLOYEE DIRECTORS. The seventh and final matter,

a proposal to adopt the Mercantile Bancorporation Inc. 1994 Stock Incentive Plan for Non-Employee Directors, a plan which provides for the granting of stock-based awards to directors of Mercantile Bancorporation Inc. who are not employees of Mercantile or its subsidiaries, was adopted by a vote of a majority of the shares of the Registrant's Common Stock present and voting at the Annual meeting, as follows:

18,599,740	For
3,677,643	Against
545,775	Abstain
1,150,837	Broker Non-Votes

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:

19 Quarterly Report of the Registrant to its Shareholders for the quarter ended March 31, 1994.

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(b) Reports on Form 8-K:

Registrant filed one (1) Current Report on Form 8-K during the quarter ended March 31, 1994. In that report, dated February 11, 1994, under Item 2, Registrant disclosed that it had, effective February 1, 1994, consummated its acquisition of United Postal Bancorp, Inc. ("UPBI") through merger of UPBI with and into a wholly owned subsidiary of Registrant, with the shareholders of UPBI to receive an aggregate of approximately 6,351,000 (adjusted for three-for-two stock split

described in Note 2) shares of Registrant's common stock in exchange for their UPBI shares.

Also pursuant to Item 2, Registrant incorporated by reference UPBI's consolidated financial statements and related notes contained in UPBI's 1992 Annual Report on Form 10-K for the fiscal year ended December 31, 1992 and the Independent Auditors' Report relating to such financial statements contained therein, and UPBI's consolidated financial statements and related notes appearing in its Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 1993. In addition, certain required pro forma financial information was incorporated by reference into the Form 8-K from Registrant's Registration Statement on Form S-4 (Registration No. 33-50981).

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MERCANTILE BANCORPORATION INC.
(Registrant)

Date May 13, 1994

s/W. Randolph Adams

W. Randolph Adams
Chief Financial Officer

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<TABLE>

EXHIBIT INDEX

<CAPTION>

Exhibit No.	Description	Page
-----	-----	----
<C> 19	<S> Quarterly Report of the Registrant to its Shareholders for the quarter ended March 31, 1994.	<C> ----

</TABLE>

MERCANTILE
BANCORPORATION INC.

FIRST QUARTER REPORT 1994

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<TABLE>

HIGHLIGHTS (1)

<CAPTION>

(\$ IN THOUSANDS EXCEPT PER SHARE DATA)	1994	FIRST QUARTER 1993	CHANGE
<S>	<C>	<C>	<C>
PER SHARE DATA			
Net income	\$.91	\$.79	15.2%
Dividends declared	.28	.24 3/4	13.1
Book value at March 31	22.94	20.83	10.1
Market price at March 31	31 7/8	34 5/8	(7.9)
Average common shares outstanding	42,857,806	42,078,489	1.9
OPERATING RESULTS			
Taxable-equivalent net interest income	\$127,702	\$126,877	.7%
Tax-equivalent adjustment	2,309	2,497	(7.5)
Net interest income	125,393	124,380	.8
Provision for possible loan losses	8,383	14,049	(40.3)
Other income	48,922	49,640	(1.4)
Other expense	103,824	107,361	(3.3)
Income taxes	23,253	19,545	19.0
Net income	38,855	33,065	17.5
ENDING BALANCES			
Total assets	\$11,922,882	\$11,847,906	.6%
Loans and leases	7,510,609	7,460,642	.7
Deposits	9,329,373	9,486,338	(1.7)
Shareholders' equity	984,963	877,212	12.3
Reserve for possible loan losses	165,373	155,658	6.2
AVERAGE BALANCES			
Total assets	\$12,213,848	\$12,265,053	(.4)%
Earning assets	11,144,382	11,197,856	(.5)
Loans and leases	7,360,935	7,452,066	(1.2)
Deposits	9,938,134	10,050,862	(1.1)
Shareholders' equity	975,903	865,181	12.8
SELECTED RATIOS			
Return on assets	1.27%	1.08%	
Return on equity	15.93	15.29	
Overhead ratio	58.78	60.82	
Net interest rate margin	4.58	4.53	
Equity to assets	8.26	7.40	
Tier I capital to risk-adjusted assets	11.56	10.30	
Total capital to risk-adjusted assets	15.68	13.92	
Leverage	7.52	6.61	
Reserve for possible loan losses to outstanding loans	2.20	2.09	
Reserve for possible loan losses to non-performing loans	404.93	194.45	

Non-performing assets to outstanding loans and foreclosed assets	1.00	1.68

SELECTED DATA		
Banks (2)	42	40
Banking offices (2)	252	237
Full-time equivalent employees	5,890	5,933

<FN>

- (1) All 1993 financial information has been restated to reflect the January 3, 1994 merger with Metro Bancorporation and the February 1, 1994 merger with United Postal Bancorp, Inc., which were accounted for as poolings-of-interests. All per share amounts and average shares outstanding have been restated to give effect to a three-for-two stock split distributed April 11, 1994.
- (2) Includes United Postal Savings Association, a state-chartered thrift institution.

</TABLE>

1 MERCANTILE BANCORPORATION INC.

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LETTER TO SHAREHOLDERS

Strategically-planned growth played an important role in Mercantile's first quarter, as the corporation added two more financial institutions to its four-state franchise. At the same time, earnings continued to rise, driven by ongoing asset quality improvements and operating expense reductions, a strong net interest rate margin, and solid contributions from our core fee-based businesses.

During the first quarter, Mercantile completed its first merger in Iowa, adding Mercantile Bank of Northern Iowa, based in Waterloo, to its network of community banks. The corporation also strengthened its St. Louis-area retail and mortgage banking presence with the completion of its merger with United Postal Bancorp, parent company of United Postal Savings Association.

Mercantile's net income for the first three months of 1994 was \$38,855,000, and was up 17.5% from first-quarter 1993 earnings of \$33,065,000. On a per share basis, net income rose 15.2% to \$.91 from \$.79. Net interest income for the quarter was \$125,393,000, and the net interest rate margin was 4.58% this year compared to 4.53% in 1993.

The corporation's total assets were \$11.9 billion, and return on assets rose to 1.27% versus 1.08% the previous year. Return on equity also increased to 15.93% in 1994 from 15.29% in 1993.

Asset quality gains continued during the first quarter of this year, as non-performing loans declined to \$40,840,000 or .54% of total loans at March 31, 1994 from \$57,483,000 or .78% at the end of 1993. Also down were foreclosed assets, which finished the first quarter at \$34,417,000 compared with \$36,014,000 at year-end.

The reserve for possible loan losses as of March 31 of this year was \$165,373,000 or 2.20% of total loans and reserve coverage increased to 404.93% of non-performing loans compared with 293.39% at December 31.

The board of directors, at its February meeting, declared a quarterly dividend of \$.28 per share, a 13.1% increase over the previously paid dividend of \$.24 3/4 per share. That dividend was paid April 1. At the same meeting, the board declared a three-for-two stock split, which was distributed April 11.

As Mercantile's growth continues and profitability steadily increases, the corporation has begun to emerge as one of the top-performing banking organizations in the United States. My thanks to our employees, shareholders and customers, whose hard work, commitment and support have been the driving forces behind this success.

/s/ THOMAS H. JACOBSEN
Thomas H. Jacobsen
Chairman of the Board and
Chief Executive Officer
April 29, 1994

FINANCIAL COMMENTARY

PERFORMANCE SUMMARY

Net income for the first quarter of 1994 was \$38,855,000, a 17.5% increase from the \$33,065,000 earned in the same period a year ago. On a per share basis, net income was \$.91, up 15.2% from the \$.79 earned in last year's first quarter. First-quarter results reflected a slight improvement in net interest income, lower levels of operating expenses, a decline in the provision for possible loan losses and a small decrease in other income. Return on average assets improved to 1.27% this quarter compared with 1.08% in last year's first quarter, while return on average equity was 15.93% in 1994, up from 15.29% last year.

The financial statements have been restated to include the pre-acquisition accounts and results of operations of United Postal Bancorp, Inc. and Metro Bancorporation, which were merged with Mercantile on February 1, 1994 and January 3, 1994, respectively, in transactions accounted for as poolings-of-interests. In addition, the restatement reflects the three-for-two stock split, which was paid in the form of a dividend on April 11, 1994 to shareholders of record on March 10, 1994.

Net interest income for the first quarter of 1994 was \$125,393,000 compared with \$124,380,000 in the year-earlier period, an increase of .8%. The net interest rate margin of 4.58% was up five basis points from 4.53% last year. Average earning assets of \$11.1 billion declined slightly from the \$11.2 billion in the first quarter of 1993, as average loan volume declined by \$91,131,000 or 1.2%, investments in debt and equity securities declined by \$52,101,000 or 1.5%, and short-term investments grew by \$89,758,000 or 28.7%.

Other income was \$48,922,000 in the first quarter of 1994, a decrease of \$718,000 or 1.4% from a year ago. Growth in trust fees, service charges, credit card fees and mortgage banking income was largely offset by a decline of \$2,439,000 in net securities gains.

Non-interest expenses were down \$3,537,000 or 3.3% from a year ago. Total expenses were \$103,824,000 for the quarter compared with \$107,361,000 last year. The reduction in expense levels resulted primarily from the realization of synergies from mergers completed in prior years and lower foreclosed property expense. The result was an improvement in the overhead ratio to 58.78% compared with 60.82% last year, and a lowering of the other expense to average assets ratio to 3.40% versus 3.50% in the first quarter of 1993.

The provision for possible loan losses for the quarter was \$8,383,000 compared with \$14,049,000 in 1993, a decline of 40.3%. Net charge-offs were \$11,661,000 and \$23,966,000, respectively, and on an annualized basis were .63% of average loans this quarter compared with 1.29% last year. At March 31, 1994, the reserve for possible loan losses was \$165,373,000 and covered 404.93% of non-performing loans compared with 194.45% last March 31 and 293.39% at year-end 1993.

Non-performing loans as of March 31, 1994 were \$40,840,000 or .54% of total loans, down from the year-end 1993 figures of \$57,483,000 or .78% and March 31, 1993 levels of \$80,052,000 or 1.07%. Foreclosed assets, including in-substance foreclosures, declined to \$34,417,000 compared with \$36,014,000 at year's end and \$45,780,000 last March 31.

3 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

Earnings in the St. Louis Area (Mercantile Bank of St. Louis N.A., United Postal Savings Association and Mercantile Trust Company N.A.) were \$21,256,000, up 29.1% from 1993. The first quarter results reflected a slightly improved level of net interest income, and significant reductions in operating expenses and the provision for possible loan losses, partially offset by reduced other income due to a higher level of securities gains in the first quarter of 1993 at United Postal. Return on average assets improved to 1.31% for the first quarter of 1994 versus 1.03% in 1993.

In the 36 Community Banks, net income was \$17,463,000, an increase of 8.4%, while return on average assets was 1.60% in 1994 versus 1.46% last year. Earnings for the three banks in the Kansas City Area were \$4,799,000, up 17.0% from a year ago. Return on average assets was 1.20% compared with .99% last year.

<TABLE>

EXHIBIT 1
ORGANIZATIONAL CONTRIBUTION
(\$ IN THOUSANDS)
<CAPTION>

	MARCH 31, 1994				
	ST. LOUIS AREA*	KANSAS CITY AREA	COMMUNITY BANKS	PARENT COMPANY AND ELIMINATIONS	CONSOLIDATED
<S>	<C>	<C>	<C>	<C>	<C>
Net income	\$ 21,256	\$ 4,799	\$ 17,463	\$ (4,663)	\$ 38,855
Average assets	6,470,259	1,601,929	4,371,783	(230,123)	12,213,848
Return on assets	1.31%	1.20%	1.60%		1.27%
Net interest rate margin	4.12	4.52	5.15		4.58
Overhead ratio	54.80	61.29	54.25		58.78
Equity to assets	7.86	8.88	9.04		8.26
Reserve for possible loan losses to outstanding loans	1.89	2.74	2.46		2.20
Reserve for possible loan losses to non-performing loans	385.70	501.48	400.94		404.93
Non-performing loans to outstanding loans	.49	.55	.61		.54
Non-performing assets to outstanding loans and foreclosed assets	1.16	.99	.75		1.00

<FN>

*Includes the results of Mercantile Bank of St. Louis N.A., United Postal Savings Association, Mercantile Trust Company N.A., Mercantile Business Credit, Inc. (asset-based lending), Mercantile Investment Services, Inc. (brokerage), Mississippi Valley Advisors Inc. (investment management) and Mississippi Valley Life Insurance Co. (credit life).

</TABLE>

Consolidated assets of \$11.9 billion were up .6% from last March 31. Core deposits declined by 1.6% to \$8.8 billion, loans were \$7.5 billion, up .7% from last year, and shareholders' equity of \$984,963,000 was 12.3% higher than at March 31, 1993. Tier I capital to risk-adjusted assets improved to 11.56% compared with 10.30% last year, while Total capital to risk-adjusted assets was 15.68% compared with 13.92% at March 31, 1993.

The following financial commentary presents a more thorough discussion and analysis of the results of operations and financial condition of the Corporation for the first quarter of 1994.

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FINANCIAL COMMENTARY (CONT'D)

NET INTEREST INCOME

Net interest income for the first quarter of 1994 was \$125,393,000, an increase of .8% from the \$124,380,000 earned last year. This was the net result of a five-basis-point widening in the net interest rate margin to 4.58%, offset by a .5% decline in average earning assets. Factors contributing to the increase in the net interest rate margin included significantly higher levels of average non-interest bearing deposits and shareholders' equity, a decline in non-performing assets, growth in the higher-yielding consumer and credit card loan categories, the continued run-off of higher-costing retail certificates of deposit, and the movement of consumer deposits from certificates of deposit to lower-cost checking, savings and money market accounts. The two major categories of earning assets decreased in the first quarter of 1994 compared with last year. Average loans declined by \$91,131,000 or 1.2%, and investments in debt and equity securities decreased by \$52,101,000 or 1.5%. Short-term investments grew by \$89,758,000 or 28.7%.

Average loans in the St. Louis Area declined by 2.0%, while volume at the Community Banks and Kansas City Area banks decreased by .4%. When compared with the first quarter of 1993, average commercial loans declined by \$34,071,000 or 1.7%, while average commercial

real estate mortgage and construction loans declined by \$63,540,000 or 4.3%. Residential mortgage loans on average decreased by \$132,584,000 or 5.5% through paydowns and refinancings into long-term fixed-rate loans, which were sold into the secondary market with servicing retained. Average credit card loans increased by \$134,903,000 or 22.1%, due primarily to cross-selling efforts, successful targeted marketing campaigns for new accounts and selected credit limit increases, while other consumer loans increased by .6% due to strong growth in indirect loans offset by a reduction in direct consumer loans.

<TABLE>

EXHIBIT 2
LOANS AND LEASES
(\$ IN THOUSANDS)
<CAPTION>

	1994	MARCH 31 1993	CHANGE
	----	----	-----
<S>	<C>	<C>	<C>
Commercial	\$2,171,715	\$2,049,358	6.0%
Real estate-commercial	1,264,655	1,344,655	(5.9)
Real estate-construction	145,985	149,915	(2.6)
Real estate-residential	2,246,470	2,368,024	(5.1)
Consumer	949,462	929,555	2.1
Credit card	732,142	617,637	18.5
Foreign	180	1,498	(88.0)
	-----	-----	
Total Loans and Leases	\$7,510,609	\$7,460,642	.7
	=====	=====	

</TABLE>

The 1.5% decline in average investments in debt and equity securities included an \$80,617,000 or 2.5% decrease in taxable securities and growth of \$30,008,000 or 13.9% in tax-exempt securities. Trading securities are at approximately the same level as 1993. Short-term investments are primarily used for short-term excess liquidity or balancing the interest rate sensitivity of the Corporation, and on average increased by \$89,758,000 or 28.7% during the first quarter of 1994.

Significant changes in the mix of deposits reflected the continuing strategy to be substantially funded by core deposits, and the disintermediation of retail certificates of deposit into interest bearing demand and savings accounts in the current low rate environment. Core deposits decreased slightly to 94.69% of total deposits from 94.74% a year ago and on average were down 1.2% from last year. On average, interest bearing demand accounts increased by \$159,897,000 or 11.1% and savings accounts grew by \$88,212,000 or 10.7%. Retail certificates of deposit declined by \$484,304,000 or 13.2%. This more costly source of funds declined to 33.89% of total core deposits from 38.58% in 1993, as customers preferred

5 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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maturity flexibility with their investments. Short-term borrowings decreased by \$47,909,000 or 5.6%, while purchased deposits declined by \$1,296,000 or .2%.

Non-interest bearing funds grew substantially in the current quarter compared with a year ago, thereby enhancing the level of net interest income and the net interest rate margin. Average non-interest bearing demand balances (net of cash and due from banks) grew by \$160,641,000 or 14.5%, primarily due to new customer relationships and higher compensating balance requirements for corporate services due to the lower interest rate environment. Average shareholders' equity increased by \$110,722,000 or 12.8% due primarily to earnings retained, new shares issued in the Mt. Vernon and Flora purchase transactions during the second and third quarters of 1993, and stock issued under employee benefit plans.

The factors discussed previously are consistent with Mercantile's overall corporate policy relative to rate sensitivity and liquidity, which is to produce the optimal yield and maturity mix consistent with

interest rate expectations and projected liquidity needs. The Consolidated Quarterly Average Balance Sheet, with rates earned and paid, is summarized by quarter on Pages 13 and 14.

OTHER INCOME

Non-interest income decreased 1.4% during the first quarter of 1994 to \$48,922,000. Trust fees, mortgage banking income, service charges and credit card fees all improved from last year, while investment banking revenue and miscellaneous income declined slightly. Securities gains were \$225,000 this quarter compared with \$2,664,000 last year.

Trust fees continued to be the largest source of non-interest income, and were \$15,657,000 compared with \$14,873,000 during the first quarter of 1993, an increase of 5.3%. Personal trust fees generated in the St. Louis Area are the largest source of trust revenue, representing 29.44% of trust income. These fees declined by 2.5% when compared to the first quarter of 1993, due primarily to a reduction in termination fees. Trust revenues in the Kansas City Area banks and Community Banks, which accounted for 27.40% of total trust income, are largely personal trust fees and were flat when compared with the first quarter of 1993. Trust income from Mississippi Valley Advisors Inc., and from institutional and corporate trust services represented 22.35% and 20.81%, respectively, of the total trust income for the first quarter of 1994, and grew by 13.7% and 18.2%, respectively, when compared with the first quarter of 1993, largely due to successful business development efforts.

<TABLE>

EXHIBIT 3
OTHER INCOME
(\$ IN THOUSANDS)
<CAPTION>

	1994	FIRST QUARTER 1993	CHANGE
	----	----	-----
<S>	<C>	<C>	<C>
Trust	\$15,657	\$14,873	5.3%
Service charges	14,455	14,108	2.5
Credit card fees	5,801	5,446	6.5
Mortgage banking	2,405	1,793	34.1
Investment banking	2,369	2,591	(8.6)
Letters of credit fees	1,521	1,520	.1
Foreclosed property income	1,286	604	-
Securities gains	225	2,664	-
Other	5,203	6,041	(13.9)
	-----	-----	
Total Other Income	\$48,922	\$49,640	(1.4)
	=====	=====	

</TABLE>

Service charge income was up 2.5% or \$347,000 for the first quarter of 1994, as deposit volumes were flat with 1993, and corporate customers opted to use deposit balances to offset service charges rather than pay fees.

FINANCIAL COMMENTARY (CONT'D)

Credit card fee income was \$5,801,000 for the first quarter of 1994, a \$355,000 or 6.5% increase from the 1993 level. Credit card income primarily represents fees charged merchants for processing credit card transactions, fees received on transactions of Mercantile cardholders and cardholders' annual fees.

Investment banking fees and commissions, which consist of transaction fees for services performed as a dealer bank for both individual and corporate customers, including sales of annuities and mutual funds, profits earned on limited trading positions, and foreign exchange revenue, were \$2,369,000 compared with \$2,591,000 last year, a decrease of 8.6%. This source of revenue can vary depending on movements in interest rates and overall market conditions.

Mortgage banking is now a meaningful line of business for Mercantile with the incorporation of United Postal; these revenues increased by \$612,000 or 34.1% over the first quarter of 1993. Servicing fees grew by 17.0% to \$1,152,000, as total servicing exceeded \$3.1 billion. Gains on the sale of loans increased by \$385,000 to \$860,000 for the first quarter of 1994.

Securities gains declined by \$2,439,000 from the first quarter of 1993, when United Postal sold significant volumes of U.S. Treasury securities in a portfolio restructuring. All other income was flat when compared with a year ago.

OTHER EXPENSE

Expenses other than interest expense and the provision for possible loan losses for the first quarter of 1994 were \$103,824,000, a decline of \$3,537,000 or 3.3% from 1993. Total operating expenses were 3.40% of average assets compared with 3.50% last year, and the overhead ratio, defined as operating expenses as a percentage of taxable-equivalent net interest income and other income, improved to 58.78% compared with 60.82% last year.

Personnel costs increased 6.3% from the first quarter of 1993, reflecting the costs associated with staffing additional offices, support services and merit increases. Benefit costs were up by 10.4% due to the generally higher costs of employee benefit programs. Occupancy and equipment costs were up 3.1% in the first quarter, reflecting the costs of additional offices, and a consistent program of upgrading systems and equipment to enhance productivity.

<TABLE>

EXHIBIT 4
OTHER EXPENSE
(\$ IN THOUSANDS)
<CAPTION>

	1994 ----	FIRST QUARTER 1993 ----	CHANGE -----
<S>	<C>	<C>	<C>
Salaries	\$ 44,348	\$ 42,112	5.3%
Employee benefits	11,389	10,316	10.4
	-----	-----	
Total Personnel Expense	55,737	52,428	6.3
Net occupancy	6,460	6,319	2.2
Equipment	8,671	8,352	3.8
Advertising/business development	2,236	3,011	(25.7)
Postage and freight	3,675	3,432	7.1
Office supplies	2,001	2,114	(5.3)
Communications	1,584	1,477	7.2
Legal and professional	2,314	2,854	(18.9)
Credit card	2,243	2,442	(8.1)
FDIC insurance	5,299	5,732	(7.6)
Foreclosed property expense	405	2,448	(83.5)
Intangible asset amortization	1,738	1,821	(4.6)
Other	11,461	14,931	(23.2)
	-----	-----	
Total Other Expense	\$103,824	\$107,361	(3.3)
	=====	=====	
RATIOS			
Overhead ratio	58.78%	60.82%	
Other expense to average assets	3.40	3.50	

</TABLE>

Exhibit 4 details the composition of all other operating expenses, which declined substantially from last year. Expenses related to foreclosed property totaled \$405,000

compared with \$2,448,000 last year, a decline of \$2,043,000. FDIC insurance costs decreased by 7.6%, as the deposit base is lower and all Mercantile banks in 1994 are now assessed premiums at the lowest \$.23 rate. All other expenses were down largely due to greater expense

controls and acquisition consolidation efforts.

RESERVE FOR POSSIBLE LOAN LOSSES

The reserve for possible loan losses was \$165,373,000 or 2.20% of loans outstanding at March 31, 1994. This compared with \$168,651,000 or 2.28% at year's end and \$155,658,000 or 2.09% at March 31, 1993. The reserve coverage of non-performing loans improved to 404.93% compared with 293.39% at year-end and 194.45% last year, and the earnings coverage of net charge-offs improved to 6.05x from 2.78x last year.

The provision for possible loan losses for the first quarter of 1994 was \$8,383,000 compared with \$14,049,000 last year. The annualized ratio of net charge-offs to average loans for the first quarter was .63% compared with 1.29% last year, while the corresponding net charge-off figures were \$11,661,000 and \$23,966,000, respectively. Excluding charge-offs taken on three United Postal commercial real estate loans for which reserves were provided in the fourth quarter of 1993, the .63% charge-off ratio is reduced to .42%.

In the St. Louis Area, the annualized ratio of net charge-offs to average loans for the first quarter of 1994 was .70% compared with 1.82% in 1993, when significant write-downs were taken on two commercial real estate loans and one commercial loan at Mercantile Bank of St. Louis N.A. In the Kansas City Area banks, the ratio of net charge-offs to average loans was .14% versus .25% last year. For the Community Banks as a group, the comparative ratios were .69% and .90%, respectively.

<TABLE>

EXHIBIT 5
RESERVE FOR POSSIBLE LOAN LOSSES
(\$ IN THOUSANDS)
<CAPTION>

	THREE MONTHS ENDED	
	1994	1993
	----	----
<S>	<C>	<C>
BEGINNING BALANCE	\$168,651	\$165,575
PROVISION	8,383	14,049
CHARGE-OFFS	(15,709)	(28,539)
RECOVERIES	4,048	4,573
NET CHARGE-OFFS(1)	(11,661)	(23,966)
ENDING BALANCE	\$165,373	\$155,658
	=====	=====
LOANS AND LEASES		
March 31 balance	\$7,510,609	\$7,460,642
	=====	=====
Average balance	\$7,360,935	\$7,452,066
	=====	=====
RATIOS		
Reserve balance to outstanding loans	2.20%	2.09%
Reserve balance to non-performing loans	404.93	194.45
Earnings coverage of net charge-offs	6.05X	2.78x
Net charge-offs to average loans:		
Total	.63%	1.29%
Total excluding United Postal Savings Association real estate-commercial	.42	1.29
Credit card	4.78	4.21
<FN>		
(1) Net charge-offs (recoveries):		
Credit card	\$ 8,899	\$ 6,427
United Postal Savings Association real estate-commercial	3,962	-
Other real estate-commercial loans	(940)	8,696
All other loans	(260)	8,843
	-----	-----
Total	\$11,661	\$23,966
	=====	=====

</TABLE>

Credit card losses were 4.78% of average credit card loans compared with 4.21% in 1993. Net credit card charge-offs were \$8,899,000 in 1994 compared with \$6,427,000 last year. In the first quarter of 1994, Mercantile experienced net

FINANCIAL COMMENTARY (CONT'D)

recoveries of \$1,200,000 on loans excluding credit card and the three United Postal commercial real estate credits previously discussed.

Mercantile evaluates the reserves of all banks on a quarterly basis to ensure the timely charge-off of loans and to determine the adequacy of those reserves. At March 31, 1994, individual Community Bank reserves as a percentage of total loans outstanding ranged from 1.58% to 6.76% with a combined ratio of 2.46%. The coverage of non-performing loans was 400.94% on a combined basis. The St. Louis Area combined reserve was 1.89% of loans with a coverage ratio of 385.70%, and the combined reserves of the Kansas City Area banks were 2.74% of loans outstanding with a coverage of non-performing loans of 501.48%. Management believes the consolidated reserve of 2.20% of loans and 404.93% of non-performing loans as of March 31, 1994 was adequate based on the risks identified at such date in the portfolios.

NON-PERFORMING ASSETS

Non-performing loans (non-accrual and renegotiated loans) declined to \$40,840,000 or .54% of total loans at March 31, 1994 compared with \$57,483,000 or .78% at December 31, 1993, and \$80,052,000 or 1.07% at March 31, 1993. Foreclosed assets dropped to \$34,417,000 at March 31, 1994 compared with \$36,014,000 at year's end and \$45,780,000 last year. The ratio of non-performing assets to outstanding loans and foreclosed assets declined to 1.00% at March 31, 1994 compared with 1.26% at December 31, 1993 and 1.68% last year. Loans past due 90 days and still accruing interest were \$14,066,000 at March 31, 1994 compared with \$14,096,000 at year-end and \$12,460,000 at March 31, 1993.

As noted in Exhibit 6, non-accrual loans declined by \$13,178,000 from the year-end level and \$35,234,000 from last year. In the St. Louis Area, non-accrual loans declined from the year-end level by \$12,395,000 to \$15,613,000 at March 31, 1994. The current year decline was primarily in the commercial and commercial real estate loan portfolios of United Postal Savings Association, as write-downs were taken on two credits and a significant credit was resolved. At the Kansas City Area banks and in the Community Banks as a group, non-accrual loan levels were down slightly from the totals reported at year-end.

<TABLE>

EXHIBIT 6
NON-PERFORMING ASSETS
(\$ IN THOUSANDS)
<CAPTION>

	MAR. 31 1994 -----	DEC. 31 1993 -----	MAR. 31 1993 -----
<S>	<C>	<C>	<C>
NON-ACCRUAL LOANS			
Commercial	\$10,409	\$11,949	\$30,119
Real estate-commercial	14,229	25,059	27,315
Real estate-construction	279	785	995
Real estate-residential	8,978	9,407	10,382
Consumer	1,945	1,818	2,263
	-----	-----	-----
Total Non-accrual Loans	35,840	49,018	71,074
RENEGOTIATED LOANS	5,000	8,465	8,978
	-----	-----	-----
TOTAL NON-PERFORMING LOANS	\$40,840	\$57,483	\$80,052
	=====	=====	=====
FORECLOSED ASSETS			
Foreclosed real estate	\$31,582	\$16,771	\$40,847
In-substance foreclosures	1,679	18,044	3,133
Other foreclosed assets	1,156	1,199	1,800
	-----	-----	-----
TOTAL FORECLOSED ASSETS	\$34,417	\$36,014	\$45,780

TOTAL NON-PERFORMING ASSETS	=====	=====	=====
	\$75,257	\$93,497	\$125,832
	=====	=====	=====
PAST-DUE LOANS			
(90 DAYS OR MORE)	\$14,066	\$14,096	\$12,460
	=====	=====	=====
RATIOS			
Non-performing loans to outstanding loans	.54%	.78%	1.07%
Non-performing assets to outstanding loans and foreclosed assets	1.00	1.26	1.68
Non-performing assets to total assets	.63	.77	1.06

</TABLE>

9 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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Renegotiated loans declined to \$5,000,000 from \$8,465,000 at December 31, 1993, due largely to improvements in the United Postal portfolio. All loans classified as renegotiated were paying in accordance with their modified terms at March 31, 1994. Loans past due 90 days and still accruing interest were near the same level as year-end 1993, and consisted largely of credit card loans and residential real estate mortgage loans.

CAPITAL RESOURCES

The current economic and regulatory environment continues to place emphasis on capital strength. Capital provides a solid foundation for anticipated future asset growth, and promotes depositor and investor confidence. Capital management is a continuous process at Mercantile, and ensures that capital is provided for current needs and anticipated growth. Mercantile's strong capital position has enabled it to profitably expand both its asset and deposit bases over the past four years, while maintaining capital ratios at levels comparable to other quality banking organizations and substantially in excess of regulatory standards.

At March 31, 1994, shareholders' equity was \$984,963,000, an increase of 12.3% from March 31, 1993. Net earnings retained, the common shares issued in the Mt. Vernon and Flora purchase transactions, and stock issued under various employee benefit plans accounted for the majority of the increase. Equity represented 8.26% of assets compared with 7.40% at March 31, 1993. The Corporation's Tier I capital to risk-adjusted assets ratio was 11.56% at March 31, 1994, while the Total capital ratio was 15.68%. These ratios compared favorably with established regulatory minimums of 4.0% and 8.0%, respectively, and the March 31, 1993 ratios of 10.30% and 13.92%.

<TABLE>

EXHIBIT 7 RISK-BASED CAPITAL (\$ IN THOUSANDS) <CAPTION>

	MAR. 31 1994 -----	DEC. 31 1993 -----	MAR. 31 1993 -----
<S>	<C>	<C>	<C>
Capital			
Tier I	\$ 912,830	\$ 883,162	\$ 805,791
Total	1,238,259	1,161,071	1,088,711
Risk-adjusted assets	7,899,137	7,985,847	7,822,674
Tier I capital to risk-adjusted assets			
Capital ratio	11.56%	11.06%	10.30%
Regulatory minimum ratio	4.00	4.00	4.00
Total capital to risk-adjusted assets			
Capital ratio	15.68	14.54	13.92
Regulatory minimum ratio	8.00	8.00	8.00
Leverage	7.52	7.33	6.61
Double leverage	110.38	111.97	115.11
Long-term debt to total			

capitalization	22.96	22.15	23.91
Intangible assets	\$70,204	\$71,759	\$71,421

</TABLE>

The capital ratios at all Mercantile banks also continued to be strong. The equity to assets ratio for all Community Banks was 9.04% as of March 31, 1994 while the three St. Louis Area financial institutions as a group had an equity to assets ratio of 7.86%; the Kansas City Area banks' combined ratio was 8.88%.

The ratio of long-term debt to total capitalization was 22.96% at March 31, 1994 compared with 22.15% at December 31, 1993. The Parent Company double leverage ratio was 110.38% compared with 111.97% at December 31, 1993.

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FINANCIAL COMMENTARY (CONT'D)

Mercantile Bank of St. Louis N.A. issued \$75,000,000 of 6.375% 10-year, non-callable subordinated debt on January 25, 1994, which qualifies as Tier II capital. The bank used the proceeds to prepay the \$23,653,000 8.25% mortgage outstanding on its headquarters building on February 1, 1994. The Corporation also prepaid the \$30,550,000 of 8.50% debentures due in 2004 on February 23, 1994.

Book value per share was \$22.94 at March 31, 1994 compared with \$20.83 a year earlier, an increase of 10.1%. On February 10, 1994, the Board of Directors declared a quarterly cash dividend of \$.28 per share, which was paid April 1, 1994. This represented an increase of 13.1% and a 30.77% payout ratio of first-quarter 1994 earnings. An increase in the authorized common stock of the Corporation from 70,000,000 shares to 100,000,000 shares was approved by shareholders on April 28, 1994. Further information relating to dividends, as well as quarterly stock prices, is included in the Investor Information summary on Page 21 of this report.

11 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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<TABLE>
CONDENSED CONSOLIDATED QUARTERLY STATEMENT OF INCOME
(THOUSANDS EXCEPT PER SHARE DATA)
<CAPTION>

	1993				1994
	1ST QTR.	2ND QTR.	3RD QTR.	4TH QTR.	1ST QTR.
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
INTEREST INCOME					
Interest and fees on loans and leases	\$157,087	\$156,551	\$154,388	\$153,960	\$150,324
Investments in debt and equity securities	52,557	50,751	47,366	46,526	46,219
Short-term investments	2,688	1,878	3,673	2,505	3,470
	-----	-----	-----	-----	-----
Total Interest Income	212,332	209,180	205,427	202,991	200,013
Tax-equivalent adjustment	2,497	2,307	2,430	2,340	2,309
	-----	-----	-----	-----	-----
TAXABLE-EQUIVALENT INTEREST INCOME	214,829	211,487	207,857	205,331	202,322
INTEREST EXPENSE					
Deposits	75,969	71,538	68,866	66,611	62,888
Borrowed funds	11,983	11,650	11,536	10,581	11,732
	-----	-----	-----	-----	-----
Total Interest Expense	87,952	83,188	80,402	77,192	74,620
	-----	-----	-----	-----	-----
TAXABLE-EQUIVALENT NET INTEREST INCOME	126,877	128,299	127,455	128,139	127,702
PROVISION FOR POSSIBLE LOAN LOSSES	14,049	14,485	12,906	19,573	8,383
OTHER INCOME					
Trust	14,873	15,746	15,104	15,415	15,657
Service charges	14,108	14,511	14,748	15,144	14,455
Credit card fees	5,446	6,404	5,700	6,510	5,801

Mortgage banking	1,793	2,312	3,058	3,378	2,405
Investment banking	2,591	2,184	1,878	1,833	2,369
Securities gains	2,664	15	910	153	225
Other	8,165	9,060	7,665	7,790	8,010
	-----	-----	-----	-----	-----
Total Other Income	49,640	50,232	49,063	50,223	48,922
OTHER EXPENSE					
Personnel expense	52,428	53,212	54,167	55,526	55,737
Net occupancy and equipment	14,671	14,896	16,046	17,025	15,131
Other	40,262	39,907	35,844	50,925	32,956
	-----	-----	-----	-----	-----
Total Other Expense	107,361	108,015	106,057	123,476	103,824
	-----	-----	-----	-----	-----
TAXABLE-EQUIVALENT INCOME BEFORE INCOME TAXES	55,107	56,031	57,555	35,313	64,417
INCOME TAXES					
Income taxes	19,545	19,877	19,564	16,582	23,253
Tax-equivalent adjustment	2,497	2,307	2,430	2,340	2,309
	-----	-----	-----	-----	-----
Adjusted Income Taxes	22,042	22,184	21,994	18,922	25,562
	-----	-----	-----	-----	-----
NET INCOME	\$ 33,065	\$ 33,847	\$ 35,561	\$ 16,391	\$ 38,855
	=====	=====	=====	=====	=====
NET INCOME PER SHARE	\$.79	\$.80	\$.84	\$.38	\$.91

</TABLE>

MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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<TABLE>
CONSOLIDATED QUARTERLY AVERAGE BALANCE SHEET
(\$ IN THOUSANDS)

<CAPTION>

	1993					
	1ST QTR.		2ND QTR.		3RD QTR.	
	VOLUME	RATE*	VOLUME	RATE*	VOLUME	RATE*
	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS						
Earning Assets						
Loans and leases, net of unearned income						
Commercial	\$ 2,029,956	6.56%	\$ 2,072,698	6.46%	\$ 1,970,795	6.60%
Real estate-commercial	1,323,304	8.01	1,340,876	7.96	1,275,280	8.05
Real estate-construction	158,195	7.49	149,783	6.83	154,679	7.33
Real estate-residential	2,391,674	8.05	2,363,734	7.99	2,334,896	7.81
Consumer	936,745	9.21	928,809	9.13	929,740	8.97
Credit card	610,553	16.62	637,894	16.30	682,604	16.22
Foreign	1,639	6.83	1,035	8.12	603	5.97
	-----	-----	-----	-----	-----	-----
Total Loans and Leases	7,452,066	8.47	7,494,829	8.39	7,348,597	8.45
Investments in debt and equity securities						
Trading	12,008	5.80	14,073	4.92	14,417	5.60
Taxable	3,204,699	6.15	3,152,093	6.01	3,090,005	5.68
Tax-exempt	216,373	8.93	230,660	8.59	237,107	8.30
	-----	-----	-----	-----	-----	-----
Total	3,433,080	6.32	3,396,826	6.18	3,341,529	5.87
Short-term investments	312,710	3.44	221,869	3.39	449,203	3.27
	-----	-----	-----	-----	-----	-----
Total Earning Assets	11,197,856	7.67	11,113,524	7.61	11,139,329	7.46
Non-earning Assets	1,067,197		1,116,500		1,114,359	
	-----	-----	-----	-----	-----	-----
Total Assets	\$12,265,053		\$12,230,024		\$12,253,688	
	=====	=====	=====	=====	=====	=====
LIABILITIES						
Acquired Funds						
Deposits						
Non-interest bearing	\$ 1,799,185		\$ 1,886,413		\$ 2,022,041	
Interest bearing demand	1,435,068	2.21	1,501,234	2.13	1,520,332	2.12
Money market accounts	1,659,430	2.77	1,629,303	2.75	1,628,648	2.78
Savings	823,718	2.70	862,268	2.53	878,280	2.52
Consumer time certificates under \$100,000	3,673,361	4.89	3,529,399	4.69	3,416,365	4.56
Other time	130,999	2.82	102,285	2.86	56,703	2.40
	-----	-----	-----	-----	-----	-----
Total Core Deposits	9,521,761	3.67	9,510,902	3.50	9,522,369	3.42
Time certificates \$100,000 and over	498,721	3.94	458,022	3.85	441,198	3.92
Foreign	30,380	3.27	45,184	3.20	21,650	6.23
	-----	-----	-----	-----	-----	-----
Total Purchased Deposits	529,101	3.90	503,206	3.79	462,848	4.03

Total Deposits	10,050,862	3.68	10,014,108	3.52	9,985,217	3.46
Short-term borrowings	861,397	3.00	830,904	2.95	852,097	2.84
Long-term debt	276,850	7.99	274,491	8.03	274,074	8.01
Total Acquired Funds	11,189,109	3.75	11,119,503	3.60	11,111,388	3.54
Other Liabilities	210,763		207,588		211,394	
SHAREHOLDERS' EQUITY	865,181		902,933		930,906	
Total Liabilities and Shareholders' Equity	\$12,265,053		\$12,230,024		\$12,253,688	
SIGNIFICANT RATIOS						
Net interest rate spread		3.92%		4.01%		3.92%
Net interest rate margin		4.53		4.62		4.58
Return on assets		1.08		1.11		1.16
Return on equity		15.29		14.99		15.28

<FN>
*Taxable-equivalent basis.

13 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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<CAPTION>

	1993		1994	
	4th QTR.		1st QTR.	
	VOLUME	RATE*	VOLUME	RATE*
ASSETS				
Earning Assets				
Loans and leases, net of unearned income				
Commercial	\$ 1,962,432	6.53%	\$ 1,995,885	6.35%
Real estate-commercial	1,264,795	7.97	1,274,504	7.62
Real estate-construction	160,112	7.44	143,455	7.46
Real estate-residential	2,298,589	7.76	2,259,090	7.39
Consumer	941,992	8.73	942,256	8.31
Credit card	728,730	16.05	745,456	16.64
Foreign	845	5.21	289	5.54
Total Loans and Leases	7,357,495	8.41	7,360,935	8.20
Investments in debt and equity securities				
Trading	15,493	5.06	10,516	5.44
Taxable	3,130,103	5.50	3,124,082	5.48
Tax-exempt	251,136	7.93	246,381	8.00
Total	3,396,732	5.68	3,380,979	5.66
Short-term investments	291,897	3.43	402,468	3.45
Total Earning Assets	11,046,124	7.44	11,144,382	7.26
Non-earning Assets	1,068,428		1,069,466	
Total Assets	\$12,114,552		\$12,213,848	
LIABILITIES				
Acquired Funds				
Deposits				
Non-interest bearing	\$ 2,024,089		\$ 2,023,107	
Interest bearing demand	1,570,416	2.01	1,594,965	1.85
Money market accounts	1,653,236	2.74	1,658,069	2.66
Savings	894,558	2.51	911,930	2.31
Consumer time certificates under \$100,000	3,310,430	4.46	3,189,057	4.27
Other time	38,588	2.66	33,201	2.75
Total Core Deposits	9,491,317	3.32	9,410,329	3.14
Time certificates \$100,000 and over	442,615	3.78	486,406	3.68
Foreign	27,297	6.10	41,399	4.51
Total Purchased Deposits	469,912	3.92	527,805	3.74
Total Deposits	9,961,229	3.36	9,938,134	3.18
Short-term borrowings	728,648	2.79	813,488	2.95
Long-term debt	273,500	8.05	298,915	7.68
Total Acquired Funds	10,963,377	3.45	11,050,537	3.31
Other Liabilities	194,045		187,408	
SHAREHOLDERS' EQUITY	957,130		975,903	
Total Liabilities and Shareholders' Equity	\$12,114,552		\$12,213,848	
SIGNIFICANT RATIOS				
Net interest rate spread		3.99%		3.95%

Net interest rate margin	4.64	4.58
Return on assets	.54	1.27
Return on equity	6.85	15.93

<FN>
*Taxable-equivalent basis.
</TABLE>

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<TABLE>
CONSOLIDATED STATEMENT OF INCOME
(THOUSANDS EXCEPT PER SHARE DATA)

<CAPTION>

	THREE MONTHS ENDED MARCH 31	
	1994 ----	1993 ----
<S>	<C>	<C>
INTEREST INCOME		
Interest and fees on loans and leases	\$150,324	\$157,087
Investments in debt and equity securities		
Trading	126	158
Taxable	42,722	49,156
Tax-exempt	3,371	3,243
	-----	-----
Total	46,219	52,557
Due from banks-interest bearing	1,134	442
Federal funds sold and repurchase agreements	2,336	2,246
	-----	-----
Total Interest Income	200,013	212,332
INTEREST EXPENSE		
Interest bearing deposits	62,421	75,721
Foreign deposits	467	248
Short-term borrowings	5,996	6,450
Long-term debt	5,736	5,533
	-----	-----
Total Interest Expense	74,620	87,952
NET INTEREST INCOME	125,393	124,380
PROVISION FOR POSSIBLE LOAN LOSSES	8,383	14,049
	-----	-----
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN LOSSES	117,010	110,331
OTHER INCOME		
Trust	15,657	14,873
Service charges	14,455	14,108
Credit card fees	5,801	5,446
Mortgage banking	2,405	1,793
Investment banking	2,369	2,591
Securities gains	225	2,664
Other	8,010	8,165
	-----	-----
Total Other Income	48,922	49,640
OTHER EXPENSE		
Salaries	44,348	42,112
Employee benefits	11,389	10,316
Net occupancy	6,460	6,319
Equipment	8,671	8,352
Other	32,956	40,262
	-----	-----
Total Other Expense	103,824	107,361
INCOME BEFORE INCOME TAXES	62,108	52,610
INCOME TAXES	23,253	19,545
	-----	-----
NET INCOME	\$ 38,855	\$ 33,065
	=====	=====
PER SHARE DATA		
Average common shares outstanding	42,857,806	42,078,489
Net income*	\$.91	\$.79
Dividends declared	.28	.24 3/4

<FN>
*Based on weighted average common shares outstanding.
</TABLE>

15 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

<TABLE>
 CONSOLIDATED BALANCE SHEET
 (THOUSANDS)

<CAPTION>

	MARCH 31 1994	DECEMBER 31 1993	MARCH 31 1993
ASSETS			
Cash and due from banks	\$ 560,473	\$ 705,673	\$ 551,787
Due from banks-interest bearing	85,480	144,538	5,376
Federal funds sold and repurchase agreements	61,037	186,962	18,761
Investments in debt and equity securities			
Trading	6,622	15,735	15,953
Available-for-sale	315,340	393,140	45,084
Held-to-maturity (Estimated fair value of \$3,056,092, \$3,033,347 and \$3,427,585, respectively)	3,047,121	2,992,303	3,343,168
Total	3,369,083	3,401,178	3,404,205
Loans and leases, net of unearned income	7,510,609	7,381,774	7,460,642
Reserve for possible loan losses	(165,373)	(168,651)	(155,658)
Net Loans and Leases	7,345,236	7,213,123	7,304,984
Bank premises and equipment	199,047	199,363	198,692
Due from customers on acceptances	9,979	11,923	7,371
Other assets	292,547	278,367	356,730
Total Assets	\$11,922,882	\$12,141,127	\$11,847,906
LIABILITIES			
Deposits			
Non-interest bearing	\$ 1,472,519	\$ 1,713,275	\$ 1,316,327
Interest bearing	7,808,087	7,862,723	8,130,430
Foreign	48,767	26,085	39,581
Total Deposits	9,329,373	9,602,083	9,486,338
Federal funds purchased and repurchase agreements	575,454	602,997	773,651
Other short-term borrowings	526,802	520,650	206,309
Long-term debt	293,572	272,778	275,606
Bank acceptances outstanding	9,979	11,923	7,371
Other liabilities	202,739	172,139	221,419
Total Liabilities	10,937,919	11,182,570	10,970,694
Commitments and contingent liabilities	-	-	-

<CAPTION>

	MARCH 31 1994	DEC. 31 1993	MARCH 31 1993
SHAREHOLDERS' EQUITY			
Preferred stock-no par value			
Shares authorized	5,000	5,000	5,000
Shares issued	-	-	-
Common stock-\$5.00 par value			
Shares authorized	70,000	70,000	70,000
Shares issued and outstanding	42,931	42,802	42,120
Capital surplus			
Retained earnings			
Total Shareholders' Equity	984,963	958,557	877,212
Total Liabilities and Shareholders' Equity	\$11,922,882	\$12,141,127	\$11,847,906

</TABLE>

<TABLE>

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 (\$ IN THOUSANDS)

<CAPTION>

	COMMON STOCK		CAPITAL SURPLUS	RETAINED EARNINGS	TOTAL SHAREHOLDERS' EQUITY
	SHARES	DOLLARS			
<S>	<C>	<C>	<C>	<C>	<C>
BALANCE AT DECEMBER 31, 1992, AS RESTATED	42,031,973	\$210,160	\$148,089	\$493,075	\$851,324
Net income				33,065	33,065
Dividends declared					
Mercantile Bancorporation Inc.--\$.24 3/4 per share				(8,616)	(8,616)
Pooled companies prior to acquisition				(1,031)	(1,031)
Issuance of common stock					
Employee incentive plans	81,680	408	988		1,396
Convertible notes	2,935	15	61		76
Change in valuation allowance for marketable equity securities				980	980
Pre-merger transactions of pooled companies	3,412	18			18
BALANCE AT MARCH 31, 1993	42,120,000	\$210,601	\$149,138	\$517,473	\$877,212
BALANCE AT DECEMBER 31, 1993, AS RESTATED	42,802,322	\$214,012	\$164,448	\$580,097	\$958,557
Net income				38,855	38,855
Dividends declared--\$.28 per share				(12,019)	(12,019)
Issuance of common stock					
Employee incentive plans	115,686	579	533		1,112
Convertible notes	534	3	11		14
Net fair value adjustment for securities available-for-sale				(1,707)	(1,707)
Pre-merger transactions of pooled companies	12,562	63	88		151
BALANCE AT MARCH 31, 1994	42,931,104	\$214,657	\$165,080	\$605,226	\$984,963

</TABLE>

17 MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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<TABLE>

CONSOLIDATED STATEMENT OF CASH FLOWS
(THOUSANDS)

<CAPTION>

	THREE MONTHS ENDED MARCH 31	
	1994 ----	1993 ----
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	\$ 38,855	\$ 33,065
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for possible loan losses	8,383	14,049
Depreciation and amortization	6,843	6,502
Provision for deferred income taxes	534	4,037
Net change in trading securities	9,113	1,731
Net change in accrued interest receivable	1,485	837
Net change in accrued interest payable	(4,580)	(3,067)
Net change in accrued taxes payable	27,195	13,701
Other, net	(9,665)	(726)
Net Cash Provided by Operating Activities	78,163	70,129
INVESTING ACTIVITIES		
Investments in debt and equity securities, other than trading securities		
Purchases	(399,112)	(373,219)
Proceeds from maturities	342,923	311,750
Proceeds from sales of:		
Held-to-maturity securities	-	22,078

Available-for-sale securities	146,399	71,675
Securities from acquired entities	74,014	7,171
Net change in loans and leases	(335,990)	(36,786)
Purchases of loans and leases	(20,063)	(20,816)
Proceeds from sales of loans and leases	65,662	24,082
Purchases of premises and equipment	(7,080)	(4,965)
Proceeds from sales of premises and equipment	491	-
Proceeds from sales of foreclosed property	4,430	7,839
Other, net	4,048	4,553
	-----	-----
Net Cash Provided (Used) by Investing Activities	(124,278)	13,362

FINANCING ACTIVITIES

Net change in non-interest bearing, savings, interest bearing demand and money market deposit accounts	(222,065)	(297,560)
Net change in time certificates of deposit under \$100,000	(114,500)	(183,815)
Net change in time certificates of deposit \$100,000 and over	45,371	20,888
Net change in other time deposits	(4,198)	(1,065)
Net change in foreign deposits	22,682	19,931
Net change in short-term borrowings	(21,391)	(5,434)
Issuance of long-term debt	75,000	-
Principal payments on long-term debt	(54,211)	(23,446)
Cash dividends paid	(12,019)	(9,647)
Proceeds from issuance of common stock	1,112	1,055
Other, net	151	18
	-----	-----
Net Cash Used by Financing Activities	(284,068)	(479,075)
	-----	-----
DECREASE IN CASH AND CASH EQUIVALENTS	(330,183)	(395,584)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,037,173	971,508
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 706,990	\$ 575,924
	=====	=====

</TABLE>

MERCANTILE BANCORPORATION INC. AND SUBSIDIARIES

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<TABLE>

BANKS AND OTHER SUBSIDIARIES

<CAPTION>

BANK	MAIN OFFICE	TOTAL ASSETS MAR. 31, 1994 (THOUSANDS)
-----	-----	-----
<S>	<C>	<C>
Mercantile Bank of St. Louis N.A.	St. Louis, MO	\$4,938,280
United Postal Savings Association	St. Louis, MO	1,221,774
Mercantile Bank of Kansas City	Kansas City, MO	784,425
Mercantile Bank of Kansas	Overland Park, KS	603,031
Mercantile Bank of Joplin N.A.	Joplin, MO	385,373
Mercantile Bank of Illinois N.A.	Alton, IL	369,477
Mercantile Bank of Northern Iowa	Waterloo, IA	360,823
Mercantile Bank of St. Joseph N.A.	St. Joseph, MO	327,843
Mercantile Bank of Springfield	Springfield, MO	225,688
Mercantile Bank of Lawrence N.A.	Lawrence, KS	216,386
Mercantile Bank of Topeka N.A.	Topeka, KS	197,517
Mercantile Bank of Cape Girardeau	Cape Girardeau, MO	163,937
Mercantile Bank of West Central Missouri	Sedalia, MO	159,819
Mercantile Bank of North Central Missouri	Macon, MO	157,282
Mercantile Bank of the Mineral Area	Farmington, MO	156,565
Mercantile Bank of Franklin County	Washington, MO	149,003
Mercantile Bank of Lake of the Ozarks	Eldon, MO	127,975
Mercantile Bank of Jefferson County	High Ridge, MO	123,904
Mercantile Bank of Poplar Bluff	Poplar Bluff, MO	112,564
Mercantile Bank of Mt. Vernon	Mt. Vernon, IL	100,963
Mercantile Bank of Centralia N.A.	Centralia, IL	99,019
Mercantile Bank of Trenton N.A.	Trenton, MO	85,185

<CAPTION>

BANK	MAIN OFFICE	TOTAL ASSETS MAR. 31, 1994 (THOUSANDS)
-----	-----	-----
Mercantile Bank of Monett N.A.	Monett, MO	\$84,713
Mercantile Bank of Missouri Valley	Richmond, MO	84,569
Mercantile Bank of Stoddard/Bollinger Counties N.A.	Dexter, MO	82,185
Mercantile Bank of Flora N.A.	Flora, IL	69,261

Mercantile Bank of Perryville	Perryville, MO	69,089
Mercantile Bank of Phelps County	Rolla, MO	64,118
Mercantile Bank of Table Rock Lake	Branson West, MO	55,617
Mercantile Bank of Memphis	Memphis, MO	52,805
Mercantile Bank of Doniphan N.A.	Doniphan, MO	51,959
Mercantile Bank of Ste. Genevieve	Ste. Genevieve, MO	51,071
Mercantile Bank of Pike County	Bowling Green, MO	47,755
Mercantile Bank of Montgomery City N.A.	Montgomery City, MO	47,135
Mercantile Bank of Northwest Missouri	Maryville, MO	44,957
Mercantile Bank of Carlyle	Carlyle, IL	42,178
Mercantile Bank of Wright County	Hartville, MO	41,305
Mercantile Bank of Boone County	Columbia, MO	41,084
Mercantile Bank of Willow Springs	Willow Springs, MO	40,842
Mercantile Bank of Plattsburg	Plattsburg, MO	38,725
Mercantile Bank of Sikeston	Sikeston, MO	37,836
Mercantile Trust Company N.A.	St. Louis, MO	7,258

ASSET-BASED LENDING

Mercantile Business Credit, Inc.
12443 Olive Blvd.
St. Louis, MO 63141-6432

BROKERAGE SERVICES

Mercantile Investment Services, Inc.
Mercantile Tower
St. Louis, MO 63101-1643

CREDIT CARD SERVICES

Mercantile Card Services Inc.
12443 Olive Blvd.
St. Louis, MO 63141-6432

CREDIT LIFE INSURANCE

Mississippi Valley Life Insurance Co.
Mercantile Tower
St. Louis, MO 63101-1643

INSURANCE AGENCY

Mercantile Insurance Services, Inc.
Mercantile Tower
St. Louis, MO 63101-1643

INVESTMENT MANAGEMENT

Mississippi Valley Advisors Inc.
Mercantile Tower
St. Louis, MO 63101-1643

OFF-SHORE BRANCH

Mercantile Bank of St. Louis N.A.
Cayman Branch
Grand Cayman, B.W.I.

19 MERCANTILE BANCORPORATION INC.

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DIRECTORS AND EXECUTIVE OFFICERS

DIRECTORS

RICHARD P. CONERLY(1,3)
Chairman
Orion Capital Inc.

HARRY M. CORNELL, JR.(2,4)
Chairman and
Chief Executive Officer
Leggett & Platt, Inc.

EARL K. DILLE(3,5,6)

Retired President
Union Electric Company

J. CLIFF EASON(1)
President, Network Services
Southwestern Bell Telephone Company

BERNARD A. EDISON(2,3)
Director Emeritus
Edison Brothers Stores, Inc.

WILLIAM A. HALL(1)
Assistant to the Chairman
Hallmark Cards, Inc.

THOMAS A. HAYS(2,3,4)
Deputy Chairman
The May Department Stores
Company

WILLIAM G. HECKMAN(3,6)
Chairman Emeritus
Arch Mineral Corporation

THOMAS H. JACOBSEN(3,4)
Chairman and
Chief Executive Officer
Mercantile Bancorporation Inc.

JAMES B. MALLOY(2,6)
Chairman and
Chief Executive Officer
Smurfit Packaging Corporation

CHARLES H. PRICE II(6)
Chairman
Mercantile Bank of Kansas City

HARVEY SALIGMAN(2)
Managing Partner
Cynwyd Investments

CRAIG D. SCHNUCK(5)
Chairman and
Chief Executive Officer
Schnuck Markets, Inc.

ROBERT W. STALEY(6)
Vice Chairman
Emerson Electric Co.

ROBERT L. STARK(6)
Dean
University of Kansas
Regents Center

PATRICK T. STOKES(1)
President
Anheuser-Busch, Inc.

FRANCIS A. STROBLE(1)
Retired Chief
Financial Officer
Monsanto Company

JOSEPH G. WERNER(5)
President
Werner Investments

JOHN A. WRIGHT(1)
President and
Chief Executive Officer
Big River Minerals Corp.

[FN]

- (1) Member of Audit Committee
- (2) Member of Compensation and
Management Development
Committee
- (3) Member of Executive Committee
- (4) Member of Nominating and Board
Affairs Committee
- (5) Member of Community Relations
Committee
- (6) Member of Credit Policy
Committee

EXECUTIVE OFFICERS

THOMAS H. JACOBSEN
Chairman and
Chief Executive Officer

RALPH W. BABB, JR.
Vice Chairman

W. RANDOLPH ADAMS
Executive Vice President
and Chief Financial Officer

JOHN Q. ARNOLD
Executive Vice President and
Chief Credit Officer

JOHN H. BEIRISE
President and Chief Institutional
Banking Officer
Mercantile Bank of St. Louis N.A.

RICHARD H. GOLDBERG
Executive Vice President
Mercantile Bank of St. Louis N.A.
Operations

MICHAEL J. GORMAN
Chairman and Chief
Consumer Banking Officer
Mercantile Bank of St. Louis N.A.

RICHARD C. KING
President and Chief Executive Officer
Mercantile Bank of Kansas City

JOHN W. MCCLURE
Executive Vice President
Community Banking

JON W. BILSTROM
General Counsel and
Secretary

JON P. PIERCE
Senior Vice President
Human Resources

PATRICK STRICKLER
Senior Vice President
Public Affairs

ARTHUR G. HEISE
Senior Vice President and
Auditor

MICHAEL T. NORMILE
Senior Vice President and
Treasurer

MERCANTILE BANCORPORATION INC.

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INVESTOR INFORMATION

<TABLE>
NEW YORK STOCK EXCHANGE: MTL(1)

SELECTED DATA
<CAPTION>

	1994	MARCH 31	1993
	----		----
<S>	<C>		<C>
Market Price	\$31 7/8		\$34 5/8

Yield	3.51%	2.86%
Price Earnings Ratio	10.88X	13.96x
Book Value	\$22.94	\$20.83
Shares Outstanding		
Average	42,857,806	42,078,489
Period-end	42,931,104	42,120,000
Shareholders of Record	13,422	14,070
Average Daily Volume(2)	62,279	126,042

</TABLE>

<TABLE>

COMMON STOCK INFORMATION

<CAPTION>

	MARKET PRICE			AVERAGE DAILY VOLUME (2)	DIVIDEND DECLARED
	HIGH	LOW	CLOSE		
<S>	<C>	<C>	<C>	<C>	<C>
1994					
1ST QUARTER	\$34 1/8	\$29 7/8	\$31 7/8	62,279	\$.28
1993					
1st Quarter	\$35 5/8	\$30 5/8	\$34 5/8	126,042	\$.24 3/4
2nd Quarter	37 5/8	29 3/8	32 7/8	54,552	.24 3/4
3rd Quarter	34 3/8	31 5/8	33 5/8	43,167	.24 3/4
4th Quarter	34 5/8	29 1/8	30 1/8	52,058	.24 3/4
Total					\$.99

<FN>

- (1) Generally appears as MercBcpMO or MercBc in newspaper stock tables.
(2) The average daily volume subsequent to March 24, 1993 reflects the listing of Mercantile Bancorporation Inc. common stock on the New York Stock Exchange.

</TABLE>

DIVIDEND REINVESTMENT PLAN AND DIVIDEND DIRECT DEPOSIT

If you wish to participate in or want further information concerning the Dividend Reinvestment Plan or Dividend Direct Deposit, please contact Society Shareholder Services, Inc., One Mercantile Center, Suite 2120, St. Louis, MO 63101-1673, telephone 314-241-4002.

DIVIDEND DATES

Dividends are normally paid the first business day of January, April, July and October.

21 MERCANTILE BANCORPORATION INC.

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<TABLE>

DEBT SECURITIES OUTSTANDING
(THOUSANDS)

<CAPTION>

	MARCH 31 1994
<S>	<C>
7.625% Subordinated Notes, due 2002	\$150,000
6.375% Subordinated Notes, due 2004	75,000
9.000% Mortgage-backed Notes, due 1999	53,060
8.000% Convertible Subordinated Capital Notes, due 1995	13,508

</TABLE>

<TABLE>

DEBT RATINGS

<CAPTION>

MOODY'S	FITCH	THOMSON BANKWATCH	STANDARD & POOR'S
-----	-----	-----	-----

<S>	<C>	<C>	<C>	<C>
MERCANTILE BANCORPORATION INC.			B	
Issuer Rating			TBW-1	A-2
Commercial Paper	P-2			
Subordinated Debt			BBB+	BBB
7.625% Subordinated Notes, due 2002	Baa1			
MERCANTILE BANK OF ST. LOUIS N.A.				
6.375% Subordinated Notes, due 2004	A3	A-	A-	BBB+
Certificates of Deposit			TBW-1	A-/A-2
Letters of Credit			TBW-1	A-/A-2
UNITED POSTAL SAVINGS ASSOCIATION				
9.000% Mortgage-backed Notes, due 1999	AAA			

</TABLE>

INVESTOR RELATIONS
Ralph W. Babb, Jr.
Vice Chairman
Mercantile Bancorporation Inc.
P.O. Box 524
St. Louis, MO 63166-0524

GENERAL COUNSEL
Thompson & Mitchell
One Mercantile Center
St. Louis, MO 63101-1693

TRANSFER AGENT
Society National Bank
P.O. Box 6477
Cleveland, OH 44101-1477

INDEPENDENT
ACCOUNTANTS
KPMG Peat Marwick
1010 Market Street
St. Louis, MO 63101-2085

MERCANTILE
BANCORPORATION INC.
FIRST QUARTER REPORT 1994

Mercantile Bancorporation Inc.
Mercantile Tower
P.O. Box 524
St. Louis, MO 63166-0524

APPENDIX
There is a bar-graph titled "COMMON STOCK PRICE RANGE" on page 21 of the printed First Quarter Report. The graph plots Fiscal Quarters to Dollars on the X and Y axis respectively. This graph shows five quarters of market price ranges from the first quarter of 1993 to the first quarter of 1994. Each bar indicates the dollar range of the stock price for the period. The high price is printed above and the low price below the bar. These figures correspond with the Common Stock Information table also on page 21.