



COMMUNIQUÉ

Based on Article 131 of the Banking Law and by means of Resolution SBP-0087-2016, the Superintendency of Banks of Panama orders the seizure of administrative and operating control of BALBOA BANK & TRUST CORP. effective at two thirty post meridiem (2:30 p.m.) on Thursday, May 5, 2016.

This decision was adopted as the result of the actions taken by the United States Department of the Treasury's Office of Foreign Assets Control (OFAC) against Waked Economic Group, which is closely related to BALBOA BANK & TRUST CORP. and its subsidiaries, jeopardizing the interests of depositors due to the strong impact on the Bank's reputational risk, since the Banking Group's prestige is at stake and a substantial part of its liquid assets are placed in foreign jurisdictions subject to seizure by the United States Authorities.

According to the Banking Law, the Interim Administrator will have up to 30 days, with a possible extension of up to 30 additional days, if necessary, to submit the best options and alternatives to achieve a positive and healthy restructuring of the Bank to the Superintendency.

The Superintendency of Banks of Panama wishes to make it clear to all BALBOA BANK & TRUST CORP. customers and the general public that these measures are adopted to protect the best interests of the Bank's depositors.

The Superintendency of Banks reiterates that the Panamanian Banking System is stable and sound. This measure does not present a contagion risk for the rest of the Banking System.

Panama, 5 May 2016.