

25 YEARS LISTED ON THE NEW YORK STOCK EXCHANGE

MESSAGE TO SHAREHOLDERS



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Gonzalo Menéndez Duque
Chairman of the Board of Directors

Rubens V. Amaral Jr.
Chief Executive Officer

Fellow Shareholders:

Since it was formed almost 40 years ago, Bladex has developed a strong and resilient franchise in Latin America, one of the world's most dynamic emerging markets. Our longstanding commitment to the Region has helped our clients to diversify their markets, expand their businesses and have a positive impact on their communities.

In 2017, Bladex celebrated its 25th anniversary as the first Latin American bank to list its shares on the New York Stock Exchange after an initial public offering. The listing was an important “first” for the Bank. It allowed capital from investors in the international capital markets to combine with capital from central banks in the Region to fuel the growth of the Bank's business and lay the foundation for support of foreign trade in Latin America.

Our vision of becoming a leading bank in the financing of foreign trade and regional integration across Latin America continues to drive our actions, and we remain committed to delivering consistent profitability amid the economic fluctuations in the Region. We also maintain an unrelenting focus on improving our efficiency and productivity, and on expanding our array of products and services to meet our clients' needs.

SOLID RESULTS IN A CHALLENGING BUSINESS ENVIRONMENT

Our performance in 2017 demonstrated the sustainability of our business model and our ability to continue to deliver solid results in a challenging environment, which last year included political turmoil in key countries in the Region and slower than expected economic growth, accompanied by abundant liquidity that put pressure on margins.

As we began 2018, however, economic activity in the Region was improving and the outlook for the global economy was becoming more favorable. We are convinced that Bladex is now well-positioned to maintain the positive momentum of the fourth quarter of 2017 in which we expanded our portfolio balances, grew fee income, and kept our expenses under tight control. Together, these positive factors underscore our commitment to generate increased returns to our shareholders.

FINANCIAL RESULTS

The Bank's Net Income was US\$82 million in 2017, representing a Return on Equity of 8%, down from 9.2% in 2016 because of lower average balances and lower margins. We ended the year with a solid 21.1% Tier I capital ratio



First Latin American bank to be listed on the NYSE, 1992-2017

while the net interest margin and net interest spread were 1.85% and 1.48%, respectively, below 2016 levels. Despite these pressures on our business, Bladex increased total trade finance volume by 22% to produce an annual total of US\$14.6 billion and increased fee income by 18%.

Our operating expenses were only slightly higher than the previous year, due largely to non-recurring severance expenses associated with our efforts to streamline our business model and increase efficiency throughout the organization. Without this non-recurring item our expenses for the year would have decreased 4%.

Our loan syndication and structuring business posted solid results again in 2017, contributing decisively to increased fee income and to the market perception of Bladex as a reliable and successful partner in this business line. Fee income associated with our traditional product - letters of credit - increased as well, confirming our reputation as a solid financial institution in the Region. We remain committed to further investing in these business lines to maintain our diversified revenue streams.

Ample access to funding in 2017, across diversified sources and geographies, proved again the creditworthiness that Bladex enjoys in the international capital markets. Average deposit balances increased to US\$3.2 billion from US\$3 billion in 2016 and, at the same time, the Bank held bilateral or syndicated loans with a wide network of correspondent banks, and private placements under the EMTN program, while being active in the global capital markets.

While these metrics confirm our ability to perform under economic stress, we remain committed - and believe we can achieve - the double-digit return on average equity that we have enjoyed in the past. We continue to build on our strengths and will redouble our efforts to achieve this goal, primarily through growing our fee income business areas while prudently managing credit risk.

STRONGER CREDIT QUALITY AND BALANCE SHEET

Bladex's focus on short term trade finance and disciplined approach to credit workout contributed to improved credit quality in 2017. Between

restructured transactions and credit recoveries the Bank resolved most of its problem loans and we put behind us the negative credit cycle of the last two years. We wrote off in 2017 certain exposures already fully provisioned and we increased provisions for expected credit losses by US\$9.4 million in the year.

Bladex exited 2017 with a cleaner and stronger balance sheet, thus ending the process initiated in 2016 that sought to not only improve the quality of credit, but also to strengthen the solvency of our Bank. To accomplish this, we continuously review and enhance our underwriting procedures. We are now ready to resume the growth of our credit book, and are determined to generate new exposures while preserving the credit quality of the portfolio. We continue to monitor the restructured credits and to work diligently to minimize losses.

STREAMLINING OUR OPERATING MODEL FOR GREATER EFFICIENCY

In the last quarter of the year we implemented a plan to streamline our operating model. Our objective is to improve efficiency and productivity throughout the organization, with investments already made in technology and better processes. The plan focuses on, among other areas, a more centralized management model with our Head Office providing risk management and administrative support to the representative offices, leaving them free to concentrate primarily on origination and client relationship management. The plan will certainly reduce costs but most importantly it will contribute to our goal of operational excellence and will provide greater flexibility to respond to the demands of our clients.

PLANNED CEO TRANSITION

As announced in December, we have implemented the transition plan for our Chief Executive Officer, Mr. Rubens V. Amaral Jr, who after 18 years of service to the Bank, first as a member of the Board of Directors and subsequently as Executive Vice President of Business and Chief Executive Officer, will retire in April/2018. The transition plan has enabled the new Chief Executive Officer, Mr. N. Gabriel Tolchinsky, to begin leading the decision-making processes of the organization, fully

integrate with his future team and with the Board of Directors, and to meet with our shareholders, clients and funding providers.

CORPORATE SOCIAL RESPONSABILITY

We are very proud of the work carried out by our Fundacion Crece Latinoamerica. Its efforts are a key component of our holistic view of corporate social responsibility that enables the Bank to support the communities where we operate in Latin America. Our efforts are focused on promoting education and supporting children in the most deprived communities of Latin America and contribute to their social development and progress. In 2017, we supported programs and projects in five countries of our Region, in partnership with other organizations that promote the education of children and young people at social risk. We invested a total of US\$343,000 in 12 projects, benefiting some 7,000 children and young people. Of particular note is the invaluable work done by the Committee of Volunteers of Bladex as they help the communities reached by our social programs, which underscores the commitment of our staff to our corporate values of Integrity, Commitment, Respect, Humility and Excellence.

ROBUST OUTLOOK FOR 2018 AND BEYOND

According to important economic bodies such as the World Bank and the OECD, the 2018 economic outlook for most developed countries is favorable. The World Bank in its most recent report commented that, "Global growth is expected to be sustained over the next couple of years - and even accelerate somewhat in emerging market and developing economies thanks to a rebound in commodity exporters." According to the OECD, the developed nations are exhibiting, for the first time in the last decade, synchronized world economic growth.

We are confident that this economic momentum for 2018 and beyond bodes well for Bladex. We are now well-positioned for sustained portfolio growth through our focus on operational excellence and expansion of our client base in the trade supply chain, our strong capital base, our solid funding structure and our strengthened credit underwriting standards.

We expect to increase our commercial portfolio by around 5 to 8% in 2018, which is a significant reversal of the average reduction over recent years. At the same time, helped by operating efficiency levels that should stay below 30%, we expect to regain double-digit returns on average equity in the near future.

A COMPELLING VALUE AND PROVEN BUSINESS MODEL

We are convinced that our business model has proven its ability to deliver results and to strengthen the franchise of the Bank over many years and economic cycles. We are committed to continuous improvement of our value proposition to customers, which offers our shareholders increased returns along with an attractive dividend policy.

As your Chairman of the Board and Chief Executive Officer, we are pleased with the Bank's achievements in these past six years. We have built a stronger and more relevant franchise in Latin America for our customers and partners. We are a significant participant in the international capital markets and an organization focused on results. We are committed to the values of solid corporate governance and high ethical standards. And we are in a better position today than ever before to generate attractive returns for our shareholders and meaningfully support the communities in which we have the privilege of offering our products and services.

Today, Bladex has a more diversified revenue stream with significantly increasing fee income combined with a strong balance sheet, a culture of continuous improvement and a sharp focus on cost discipline and productivity.

We are confident that Bladex is well-positioned to continue supporting trade and regional integration well into the future. We are fully committed and focused on driving the Bank's financial performance and results to higher levels of return on equity, while maintaining the safety and soundness of our operations.

Lastly, we would like to express our deep appreciation to our clients and to you, our shareholders, for your consistent support.

Gonzalo Menéndez Duque
Chairman of the Board of Directors

Rubens V. Amaral Jr.
Chief Executive Officer



Joining the NYSE 25 years ago transformed Bladex into a more efficient and competitive banking institution.