

CIBC West Indies Holdings Limited. 2000

Chairman's Review

For the nine months ended July 31, 2000

Consolidated net income of the Group for the nine months ended July 31, 2000 totalled \$82.5 million, an increase of \$15.5 million or 23% over the similar period in 1999. \$7.9 million of this increase is attributable to an extra quarter of performance from the Cayman operation, which was purchased on February 1st, 1999.

Assets have increased 5.5% over the past twelve months, with loans increasing by 8%.

The Group achieved a return on equity of 21.9%, which compares to 22.1% for the same period in 1999. Earnings per share totalled 13.5 cents for the nine months ended July 31, 2000 compared to 12.1 cents in the prior year.

We are pleased to announce that a second CIBC branch will be opened in Antigua on August 21. This will be the third new branch opened in the West Indies this year, the earlier branch openings being in Turks and Caicos and JFK Drive in Nassau, Bahamas.

As our investments in technology, people and new processes take hold we expect that 2000 will be another successful year for the Group.

CONSOLIDATED BALANCE SHEET (BDS \$'000)

	Unaudited July 31, 2000	Unaudited July 31, 1999	Audited October 31, 1999
Assets			
Cash resources	1,900,763	2,491,537	1,961,285
Securities	2,063,015	1,358,087	1,578,942
Loans	3,324,439	3,079,905	3,162,052
Net investment in leases	4,860	5,499	5,396
Fixed assets	119,499	95,824	120,401
Other assets	128,357	117,415	128,930
	<u>7,540,933</u>	<u>7,148,167</u>	<u>6,956,906</u>
Liabilities			
Total deposits	6,519,200	6,367,631	6,016,367
Other liabilities	286,763	127,515	281,287
	<u>6,805,963</u>	<u>6,495,546</u>	<u>6,297,654</u>
Equity			
Share capital & reserves	316,380	316,380	316,380
Retained earnings	228,547	169,601	172,574
	<u>544,927</u>	<u>485,981</u>	<u>488,954</u>
Minority interest	190,043	167,040	170,298
	<u>7,540,933</u>	<u>7,148,167</u>	<u>6,956,906</u>

CHANGES IN SHAREHOLDERS' EQUITY

	Number of Shares ('000)	Share Capital ('000)	Retained Earnings ('000)
Balance at October 31, 1998	440,309	274,980	122,710
Net incoMs for the period			67,030
Shares issued as consideration for Cayman operations	171,500	41,400	
Dividends			(17,612)
Foreign currency transaction			<u>(2,527)</u>

Balance at July 31, 1999	611,809	316,380	169,601
Balance at October 31, 1999	611,809	316,380	172,574
Net income for the period			82,513
Dividends			(24,472)
Foreign currency transaction			(2,068)
Balance at July 31, 2000	611,909	316,380	228,547

Note:

The cumulative balance in the foreign currency translation account is (\$8.0 million); 1999 (\$3.7 million)

CONSOLIDATED STATEMENT OF INCOME (BDS\$'000)

	Unaudited Nine Months July 31, 2000	Unaudited Nine Months July 31, 1999	Audited Year October 31, 1999
Total interest income	444,870	370,373	497,534
Total interest expenses	(232,525)	(191,351)	(252,751)
Net interest income	212,345	179,022	244,783
Non-interest income	96,318	89,222	120,286
	308,663	268,244	365,069
Non-interest expenses	175,582	154,222	212,572
Provision for credit losses	23,192	16,458	23,908
	198,764	170,680	236,480
Income before taxation and minority interest	109,899	97,564	128,589
Taxation	5,248	6,548	4,028
	104,651	191,016	124,561
Minority interest	22,138	23,986	29,536
Net Income	82,513	67,030	95,025
Average number of common shares outstanding (000's)	611,809	554,642	568,934
Net income per common share in cents	13.5	12.1	16.7

CONSOLIDATED STATEMENT OF CASH FLOWS (Bds \$'000)

	Unaudited Nine Months July 31,2000	Unaudited Nine Months July 31,2000	Audited Year October 31, 1999
Net cash from (used in) operating activities	1,278	(521,326)	(1,059,008)
Net cash used in financing activities	(24,472)	(37,426)	(37,426)
Net cash used in Investing activities	(10,768)	(44,991)	(38,923)
Effects of exchange rate changes on cash and cash equivalents	12,998	-	(12,017)
Net decrease in cash and cash equivalents for the year	(46,960)	(603,743)	(1,147,374)
Cash balances of subsidiaries acquired		2,292,802	2,292,802
Cash and cash equivalents, beginning of year	1,961,285	813,472	813,472
Cash and cash equivalents, end of period	<u>1,914,325</u>	<u>2,502,531</u>	<u>1,958,900</u>

Represented by:

Cash resources	1,900,763	2,491,537	1,961,295
Cheques and other Items In transit, net	13,562	10,994	(2,385)
Cash and cash equivalents, end of period	<u>1,914,325</u>	<u>2,502,531</u>	<u>1,958,900</u>
