

CIBC West Indies Holdings Limited. 2000

Chairman's Review

For the year ended October 31, 2000

We are pleased to announce that the Group has had a very successful fiscal 2000 with our profit after tax increasing by 24% to \$117.7 Million. Of this growth \$7 Million relates to an additional quarter of performance from our Cayman operations which were acquired on February 1, 1999.

The Group has improved all its key financial ratios. Earnings per share increased 15% to 19.2 cents. Return on Equity rose to 23.3% compared to 22.4% in 1999. Our expense to revenue ratio has declined to 55.3%. Additionally our assets have increased by 11.5% over the prior year with loans increasing by 9.5%. Over 40% of the year's loan growth occurred during the fourth quarter.

Our strong performance has been due to our focus, and success, in improving operational efficiencies, tight expense management and the re-engineering of our credit processes.

Our branch network continued to expand with the opening of three new branches, Antigua, Turks and Caicos and JFK Drive in Nassau, Bahamas during the course of the year.

The Directors have recommended a final dividend of 5.0 cents per share, bringing the total dividend payout in 2000 to 9.0 cents (1999 - 8 cents). The dividend will be paid on January 12, 2001 to shareholders of record as of the close of business on December 22, 2000.

With our strong growth entering the new year and the expectation that our regional economies will remain stable during 2001, the Group expects in fiscal 2001 to continue to produce attractive

returns.

CIBC West Indies Holdings Ltd
CONSOLIDATED BALANCE SHEET (BDSS'000)

	Audited	Audited
	October 31, 2000	October 31, 1999
Assets		
Cash resources	1,849,630	1,961,285
Securities	2,199,992	1,578,942
Loans	3,461,184	3,162,052
Net investment in leases	4,221	5,396
Fixed assets	123,427	120,401
Other assets	<u>120,460</u>	<u>128,830</u>
	<u>7,758,914</u>	<u>6,956,906</u>
Liabilities		
Total deposits	6,716,869	6,016,367
Other liabilities	<u>300,377</u>	<u>281,287</u>
	<u>7,017,246</u>	<u>6,297,654</u>
Equity		
Share capital & reserves	316,380	316,380
	<u>230,296</u>	<u>172,574</u>
	<u>546,676</u>	<u>488,954</u>
Minority interest	<u>194,992</u>	<u>170,298</u>
	<u>7,758,914</u>	<u>6,956,906</u>

CHANGES IN SHAREHOLDERS' EQUITY

	Number of Shares ('000)	Share Capital BDS \$'000	Retained Earnings BDS \$'000
Balance at October 31, 1998	440,309	274,980	122,710
Net income for the period			95,025
Shares issued as consideration for Cayman operation	171,500	41,400	
Dividends			(42,084)
Foreign currency translation			(3,077)
Balance at October 31, 1999	<u>611,809</u>	<u>316,380</u>	<u>172,574</u>
Balance at October 31, 1999	611,809	316,380	172,574
Net income for the period			117,698
Dividends			(55,063)
Foreign currency translation			(4,913)
Balance at October 31, 2000	<u>611,809</u>	<u>316,390</u>	<u>230,296</u>

Note :

The cumulative balance in the foreign currency translation account is (\$10.8 million): 1999(\$5.9 million)

CONSOLIDATED STATEMENT OF INCOME (BDS\$'000)

	Audited Year October 31,2000	Audited Year October 31, 1999
Total interest income	594,914	497,534
Total interest expenses	<u>(313,945)</u>	<u>(252,751)</u>
Net interest income	280,969	244,783

Non-interest income	<u>126,846</u>	<u>120,286</u>
	<u>407,815</u>	<u>365,069</u>
Non-interest expenses	225,334	212,572
Provision for credit losses	<u>28,602</u>	<u>23,909</u>
	<u>253,936</u>	<u>236,480</u>
Income before taxation and minority interest	153,879	128,589
Taxation	<u>6,472</u>	<u>4,028</u>
	<u>147,407</u>	<u>124,561</u>
Minority interest	<u>29,709</u>	<u>29,536</u>
Net Income	<u>117,698</u>	<u>95,025</u>
Average number of common shares outstanding (000's)	611,809	568,934
Net income per common share in cents	19.20	16.77

CONSOLIDATED STATEMENT OF CASH FLOWS (BdsS'000)

	Audited Year October 31, 2000	Audited Year October 31, 1999
Net cash used in operating activities	(21,092)	(1,059,008)
Net cash used in financing activities	(48,944)	(37,426)
Net cash used in investing activities	(15,404)	(38,923)
Effects of exchange rate changes on cash and cash equivalents	<u>(28,682)</u>	<u>(12,017)</u>
Net decrease in cash and cash equivalents for the year	(114,122)	(1,147,374)
Cash balances of subsidiaries acquired		2,292,802
Cash and cash equivalents, beginning of year	<u>1,961,285</u>	<u>813,472</u>
Cash and cash equivalents, end of period	<u>1,847,163</u>	<u>1,958,900</u>
Represented by:		
Cash resources	1,849,630	1,961,285
Cheques and other items in transit, act	<u>(2,467)</u>	<u>(2,385)</u>
Cash and cash equivalents, end of period	<u>1,847,163</u>	<u>1,958,900</u>
