

CIBC West Indies Holdings Limited

For the nine months ended July 31, 2002

Chairman's Review

For the nine months ending July 31, 2002

Consolidated net income of the Group for the nine months ending July 31st 2002 totaled \$95.6 million, a 1% increase from, the \$94.8 million result posted over the similar period in 2001. Included in the current period's results is a \$16.7 million after-tax gain on the sale of the Bank's investment in Life of Barbados Ltd.

The Group achieved a return on equity of 18.3% versus the 21.9% result achieved over the comparable period in 2001. Earnings per share of 15.6 cents compare to 15.5 cents in the prior year.

Total revenue has declined from the prior year by 1.6%, a result mainly driven by slackening loan demand and narrower interest margins.

Emphasis on maintaining credit quality and exercising prudent cost control continues with the composite year-over-year expense increase in these two areas having been limited to 2%.

The Group's performance is considered satisfactory given the challenging economic conditions.

The proposed combination of Barclays and CIBC's Caribbean retail corporate and offshore banking operations, as announced on October 31, 2001 is awaiting regulatory and other required approvals. The Board of Directors continue to believe that the proposed combination will be in the best interest of customers shareholders, employees and the Caribbean region as a whole.

On Monday, August 26th, an Offering Circular relating to the proposed. five for twelve rights issue was mailed to all sbareholders and an Extraordinary General Meeting has been scheduled for September 18th, 2002. While all resolutions and indeed the rights issue are conditional on the receipt of a number of regulatory approvals, we believe that the process is sufficiently advanced to warrant such an Extraordinary General Meeting.

Chairman

CONSOLIDATED BALANCE SHEET BDS(\$'000)

As at July 31, 2002

	Unaudited	Unaudited	Audited
Assets	July 31,2002	July 31,2001	Oct 31,2001
Cash resources	1,804,576	2,288,395	2,743,877
securities	1,368,246	2,950,729	2,417,865
Loans	3,596,998	3,676,672	3,763,629
Property and equipment	124,036	140,695	138,114
Other assets	138,965	122,787	125,569
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	7,032,821	9,179,268	9,189,054

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Liabilities

Total deposits	5,963,422	7,909,334	8,191,737
Other liabilities	242,693	434,713	112,759
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	6,206,115	8,344,047	8,304,496

Equity

Share Capital & reserves	316,380	316,380	316,380
Retained earnings & reserves	472,069	296,487	335,896
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	788,449	612,867	652,276

Minority interest

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	38,257	222,354	232,282
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	7,032,821	9,179,268	9,189,054
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CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Number of Shares ('000)	Share Capital BDS \$'000	Revaluation Reserves BDS \$'000	Retained Earnings BDS \$'000	Total Equity BDS \$'000
Balance at October 31, 2000					
- as previously reported	611,809	316,380		230,297	546,677
- Effect of adoption of IAS 19				3,053	3,053
Balance at October 31, 2000 - restated	611,809	316,380	-	233,350	549,730
Net income for the period				94,752	94,752

Dividends				(30,590)	(30,590)
Foreign currency translation				(1,025)	(1,025)
Balance at July 31, 2001	611,809	316,380	-	296,487	612,867
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Balance at October 31, 2001					
- as previously reported	611,809	316,380	-	335,896	652,276
- Effect of adoption of IAS 39				99,776	99,776
Balance as October 31, 2001 - restated	611,809	316,380	-	435,672	752,052
Net income for the period				95,587	95,587
Dividends				(67,299)	(67,299)
Foreign currency translation				(1,502)	(1,502)
Changes in fair value of "available for sale securities" (IAS 39)			16,062		16,062
Fair value adjustment on "available for sale" investments sold during the period				(6,451)	(6,451)

Balance, at July 31, 2002	611,809	316,380	16,062	456,007	(788,449)
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Note:

The cumulative balance in the foreign currency translation account is (\$14.7million);
2001 (\$13.2 million)

CONSOLIDATED STATEMENT OF CASH FLOWS (BdsS'000)

	Unaudited nine months July 31,2002	Unaudited nine months July 31,2001	Audited Year Oct 31,2001
Net cash (used in)/from operating activities	(547,941)	497,496	1,075,601
Net cash used In Financing activities	(67,299)	(30,590)	(30,590)
Net cash used in investing activities	151,099	(20,908)	(134,116)
Efficets of exchange rate changes on cash and cash equivalents	(12,284)	(7,223)	(16,648)
Net (decrease) increase in cash and cash equivalents for the year	(476,427)	438,705	894,247
Cash balances of division disposed of	(462,974)	-	-
Cash and cash equivalents, beginning of year	2,743,877	1,849,630	1,849,630
Cash and cash equivalents, end of period	1,804,576	2,288,395	2,743,877

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CONSOLIDATED STATEMENT OF INCOME (BDS\$000)

	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	nine months	nine months	Year
	Jul 31,2002	Jul 31,2001	Jul 31,2002	Jul 31,2001	Oct 31,2001
Total interest income	113,753	153,720	351,575	471,159	601,309
Total interest expense	<u>(47,383)</u>	<u>(76,838)</u>	<u>(147,576)</u>	<u>(255,076)</u>	<u>(316,737)</u>
Net interest income	66,370	76,882	203,999	216,083	284,572
Non-interest income	<u>41,019</u>	<u>27,407</u>	<u>99,190</u>	<u>92,084</u>	<u>128,378</u>
	<u>107,390</u>	<u>104,289</u>	<u>303,189</u>	<u>308,167</u>	<u>412,950</u>
Non-interest expense	54,561	55,774	172,312	166,006	218,519
Provision for credit losses	<u>3,547</u>	<u>202</u>	<u>11,577</u>	<u>14,212</u>	<u>10,287</u>
	<u>58,107</u>	<u>55,976</u>	<u>183,890</u>	<u>180,218</u>	<u>228,806</u>

Income before taxation and minority interest	49,282	48,313	119,300	127,949	184,144
Taxation	3,213	1,636	4,606	3,408	8,616
	46,069	46,677	114,694	124,541	175,528
Minority interest	5,316	13,264	19,107	29,789	39,919
Net Income	40,754	33,413	95,587	94,752	135,609
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Average number of common shares outstanding	611,809	611,809	611,809	611,809	611,809
Net income per common share in cents	6.7	5	15.6	15.5	22.2

Note

The prior year numbers have been restated to include the effect of the adoption of IAS 19

(revised) Employee Benefits

NOTES TO THE INTERIM STATEMENTS

1. Significant Accounting Policies

The accounting policies and methods used are the same as those used in the financial statements for the year ended October 31, 2001 with the exception of IAS 39 "Financial Instruments - Recognition and Measurement" which the Group has adopted with effect from November 1, 2001.

2. Segment Information

Information by geographical segment is as follows:

	Total	Total	Operating
	Revenue	Expenses	Profit
	Unaudited nine months to July 31, 2002		
Bahamas	97,450	44,254	53,196
Cayman	63,235	25,484	37,751
Barbados	83,937	60,791	23,156
Jamaica	50,229	38,922	11,307
Eastern Caribbean	<u>18,842</u>	<u>13,374</u>	<u>5,468</u>
	313,693	182,825	130,878
Eliminations	<u>(10,504)</u>	<u>(10,504)</u>	<u>-</u>
	303,189	172,312	130,877
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	Total	Total	Operating
	Revenue	Expenses	Profit
Unaudited nine months to July 31, 2001			
Bahamas	106,226	46,356	59,870
Cayman	76,503	27,180	49,323
Barbados	65,325	48,267	17,058
Jamaica	50,100	39,635	10,465
Eastern Caribbean	19,024	13,579	5,445
	317,178	175,017	142,161
Eliminations	(9,011)	(9,011)	-
	308,167	166,006	142,161
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Total	Total	Operating
Revenue	Expenses	Profit
Audited Year to October 31, 2001		

Bahamas	141,102	62,246	79,856
Cayman	102,620	36,814	65,806
Barbados	98,620	74,257	24,363
Jamaica	69,231	52,998	16,233
Eastern Caribbean	25,581	16,408	9,173
	<u>437,154</u>	<u>242,723</u>	<u>194,431</u>
Eliminations	<u>(24,204)</u>	<u>(24,204)</u>	<u>-</u>
	412,950	218,519	194,431
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3. Business Reorganization

Effective July 1, 2002, the Group re-organised its Cayman operations transferring its business interest in the Class B shares of CIBC Bank and Trust Company (Cayman) Limited to a newly formed subsidiary company "CIBC Cayman Limited". All of these assets and liabilities associated with the retail division of CIBC Bank and Trust Company (Cayman) Limited have been transferred to the new equity. The effect of this transaction is to reduce the Group's assets and liabilities and income statement by the amounts associated with the Wealth

Management Division of CIBC Bank and Trust Company (Cayman) Limited. This transaction has had no impact on the net assets or earnings of The Group.

Assets disposed of:

Assets	338,790
Cash Resources	1,225,016
Securities	-
Loans	<u>21,643</u>
Fixed and other assets	<u>1,585,450</u>
Liabilities	1,140,266
Deposits	<u>263,784</u>
Other Liabilities	<u>1,404,050</u>
Minority Interest	<u>181,400</u>
Net Assets	-

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Results of Wealth Division included in the Consolidated Statement of Income:

	Unaudited To July 31, 2002
Total interest income	17,329
Total interest expenses	<u>10,152</u>
Net interest income	27,481
Non-interest income	<u>18,345</u>
	<u>45,826</u>
Non-interest expense	11,869
Provision for credit losses	<u>-</u>
	<u>11,869</u>

Income before taxation and minority interest	33,957
Taxation	<u>-</u>
	33,957
Minority interest	<u>33,957</u>
Net Income	-
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