FirstCaribbean International Bank Limited

For the period ending October 31,2002

Chairman's Review

On October 11, 2002 the combination of Barclays and CIBC's Caribbean retail, corporate and offshore banking operations was completed and FirstCaribbean International Bank Limited began operation. Ex-CIBC WIHL shareholders received a dividend of 23.2 cents per share on November 4th. This dividend has two components: (1) 5.2 cents final dividend and (2) a special dividend of 18.0 cents per share arising from successful completion of the combination transaction. The final dividend for 2002 of 5.2 cents together with the interim dividend of 5.0 cents resulted in a fiscal 2002 dividend of 10.2 cents per share.

Although CIBC and Barclays PLC share identical voting share interests of 45% in the

Bank as of the balance sheet date, at the initial stage of the combination the value of Barclays' interest was larger than CIBC's. As a result, under International Accounting Standards the accounting treatment for the combination was determined to be that of a reverse acquisition with Barclays identified as the deemed acquirer. As a consequence, the published income statement represents ten months results for Barclays' Caribbean operations and approximately three weeks of CIBC WIHL's results (Barclay's results from January 1,2002 as they previously had a December fiscal year-end and CIBC WIHL's results from October 11,2002 - the date of the combination).

This accounting convention applies to all of the financial statements although the balance sheet is more straightforward, showing combined balances at a point in time - October 31,2002. The goodwill figure of $635 million on the balance sheet represents the excess of the fair value of CIBC WIHL's business over the fair value of the identified assets and liabilities of CIBC WIHL as of October 31,2002. All prior year comparatives reflect the fiscal 2001 results of Barclays' Caribbean operations.

As a result of the combination, total assets stand at $17.7 billion with a loan portfolio of $7.5 billion and capital ratios well in excess of regulatory requirements. The large increase in all balance sheet categories is due to the fact that the 2001 comparatives only include Barclays' Caribbean operations, whereas 2002 balances are those for the combined operations.

A restructuring charge of $52 million has been expensed this year to accommodate the funding of certain future costs related to the combination. Excluding these exceptional charges and a further $28 million in non-recurring charges related to the combination, the net income before tax and goodwill amortisation is $93 million. Of this figure, $6 million relates to three weeks of ex-CIBC operations and $87 million to ten months of Barclays' operations. This latter figure translates to an annualized figure of $104 million versus the prior year ex-Barclay's result of $166 million. Over $60 million of this change is due to declining net interest income, particularly on the large ex-Barclays' US$ deposit base which has been significantly impacted by US interest rates being at historically low levels.

To promote a better understanding of the underlying profit trend of the business we provide the following income statement which shows pro-forma combined results for Barclays (actual ten months with estimated two months) and CIBC for the twelve months ending October 31, 2002 with 2001 comparatives. The statements do not include any amounts for restructuring. On this basis, net profit is shown to fall from $280.8

million to $223.2 million with most of the decline due to lower interest margins, principally brought about by the impact of lower US interest rates on our US$ portfolio. It is emphasized that because of the application of reverse acquisition accounting treatment and the incurring of restructuring charges the reported net profit of $10.7 million does not accurately reflect the ongoing operating performance of the combined entity. We believe these pro-forma combined results are a better indicator of the operating performance of the combined entity.

Proforma Income Statements (BDS $'000)

	2002	2001
Net interest income	536,594	604,671
Non-interest income	219,298	210,804
Total income	755,892	815,475
	=========	=========
Non-interest expenses	459,952	456,097
Loan loss provision	45,479	40,993
	505,431	497,090
Income before tax and minority interest	250,461	318,385
Taxes	19,154	28,978
	231,307	289,407
Minority interest	8,122	8,618
	=========	=========

Net income	223,185	280,789
	=========	=========
Average number of common shares outstanding (000's)	1,497,734	1,497,734
Net income per common share in cents	$ 0.15	$ 0.19
Return on equity	16.8%	26.1%

Note:

The proforma results for 2001 represent actual 12 months results of CIBC West Indies Group (excluding the Cayman Wealth Division) to October 3l, 2001 and actual 12 months results for Barclays Caribbean Operations to December 31, 2001.

The proforma results for 2002 represent 12 months results of CIBC West Indies Group (excluding the Cayman Wealth Division) to October 31, 2002 and annualised 10 months results for Barclays to October 31, 2002.

Efforts are now well underway to integrate the two operations with the Board remaining confident that the combination will provide enduring benefits to its shareholders, customers and staff.

We are quite pleased with the results of the recently closed rights offering. Of a maximum offering of 58,674,509 shares, over 43,000,000 shares or 73% of the total offering has been taken up. This result was achieved without the participation of the largest single minority shareholder who was entitled to 62.6% of the total offering. In effect, excluding the aforementioned shareholder's entitlement, the rights offering was oversubscribed by over 95%.

On behalf of tbe Board, I would like to thank our customers, management and staff for their support during a challenging yet very rewarding year. We now look forward to creating a bright future for your bank.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (BDS '000)

	Share/Assigned Capital	Reserves	Due to Head Office	Retained Earnings	Total Equity
Balance at December 31, 2000	17,034	17,342	132,630	42,064	209,070
	-	-	-	-	-
Net income for the period	-	-	120,826	24,354	145,180
Dividends	-	-	-	(5,378)	5,378
Dividends waived	-	-	-	14,852	14,852
Transfer to reserve fund	-	3,352	3,352	-	-
Remittance to head office	-	-	(122,956)	-	(122,956)
Balance at December 31, 2001	17,034	20,694	127,148	75,892	240,768
Balance at December 31, 2001	17,034	20,694	127,148	75,892	240,768

Shares of CIBC issued and outstanding at the beginning of period	316,380	-	-	-	316,380
Issue of common shares	1,803,603	-	-	-	1,808,603
Issue of non-voting class A shares	51,839	-	-	-	51,839
Issue of preference shares	360,000	-	-	-	360,000
Remittance to head office	-	-	(5,554)	-	(5,554)
Transfers (to)/from head office	-	-	22,233	(5,954)	16,279
Cancellation of opening share/assigned capital	(17,034)	-	11,186	-	(5,848)
Transfers to retained earnings	-	-	(155,013)	155,013	-
General banking reserve from entities acquired	-	40,846	-	-	40,846
Statutory reserve from entities acquired	-	53,547	-	-	53,547
Reverse acquisition reserve	-	(927,255)	-	-	(927,255)
Net income for the period	-	-	-	10,662	10,662
Available-for-sale investments securities - net fair value gains, net of tax	-	28,459	-	-	28,459
Share gift to employees	12,702	-	-	(12,702)	-
Transfer to reserves	-	1,611	-	(1,611)	-
Balance at October 31, 2002	2,549,524	(782,098)	-	221,300	1,988,726

==

Note: The above has been extracted from the Group's audited financial statements for the period to October 31,2002

CONSOLIDATED STATEMENT OF INCOME (BDS'000)

	10 months to 31-Oct-02	Year ended 31-Dec-01
Total interest income	394,779	668,236
Total interest expenses	(150,785)	(329,364)
Net interest income	243,994	338,872
Non-interest income	104,973	113,794
	348,967	452,666
Non-interest expenses	249,696	256,418
Restructuring charges	51,739	-
Provision for credit losses	33,841	30,706

	335,276	287,124
Operating profit	13,691	165,542
Goodwill amortisation	1,982	-
Taxation.	507	20,362
	11,202	145,180
Minority interest	540	-
Net Income	10,662	145,180
	========	========

Average number of common shares outstanding (000's)	744,065	-
Net income per common share in cents		
-basic	1.43	-
-diluted	1.16	-
-cash earnings*	8.70	-

* Cash earnings represent earnings before goodwill amortisation and restructuring charges

Note : The above has been extracted from the Group's audited financial statements for the period to October 31, 2002

CONSOLIDATED STATEMENT OF CASH FLOWS (BDS'000)

	10 months to 31-Oct-02	Year ended 31-Dec-01
Net cash used in operating activities	(832,183)	(862,067)
Net cash used in financing activities	(5,554)	(87,200)
Net cash used in investing activities	(152,252)	(126,770)
Net decrease in cash and cash equivalents for the year	(989,989)	(1,076,037)
Cash balances acquired as a result of business combination	1,579,851	-

Cash and cash equivalents, beginning of year	4,079,835	5,155,872
Cash and cash equivalents, end of period	4,669,697	4,079,835
	==========	==========

Note: The above has been extracted from the Group's audited financial statements for the period to October 31, 2002

CONSOLIDATED BALANCE SHEET (BDS'000)

As at October 31, 2002

Assets	**31-Oct-02**	**31-Dec-01**
Cash resources	5,007,767	4,232,607
Due from other banks	1,737,973	1,607,959
Trading securities	432,081	-
Loans and advances	7,453,146	3,939,256
Investment securities	1,882,171	407,682
Property and equipment	239,848	103,064
Other assets	270,885	189,558
Goodwill	635,001	-
	17,658,872	10,480,126
	==========	==========

Liabilities

Total deposits	15,140,879	10,058,664
Other liabilities	495,378	180,694
	15,636,257	10,239,358
Minority interest	33,889	-
Equity		
Share Capital & reserves	1,767,426	37,728
Retained earnings & Head office account	221,300	203,040
	1,988,726	240,768
	17,658,872	10,480,126
	==========	==========

Note : The above has been extracted from the Group's audited financial statements for

the period to October 31, 2002