

# FirstCaribbean International Bank (Jamaica) Limited



FIRSTCARIBBEAN  
INTERNATIONAL BANK

## Unaudited Consolidated Financial Statements

For the Quarter ended January 31, 2009 (expressed in thousands of Jamaican dollars)

### CHAIRMAN'S REVIEW

For the quarter ended January 31, 2009

FirstCaribbean International Bank (Jamaica) Limited recorded net income after taxation (NIAT) of \$356 million for the quarter ended January 31, 2009, compared to \$205 million for the prior year period. The prior year comparative includes a \$76 million (\$51 million net of tax) loss as the Group was unable to claim hedge accounting for certain interest rate hedges. The Group has since reinstated these hedges from an accounting perspective and this quarter includes a gain of \$41 million (\$27 million net of tax). Fee income increased by 57 million (\$38 million net of tax), and foreign exchange trading and translation gains rose by \$82 million (\$55 million net of tax) over last year.

Net interest income for the quarter ended January 31, 2009 was \$810 million, representing an increase of \$88 million or 12.2% over prior year and was due primarily to the growth in our loan volumes. Total revenues for the quarter were \$1,193 million compared to \$850 million for the comparable period in 2008. Non-interest expense for the quarter was \$602 million compared to \$496 million for the comparable period in 2008. This increase was primarily driven by higher remuneration expenses to employees.

Total assets stood at \$56,436 million as at January 31, 2009 compared to \$43,205 million as at January 31, 2008. Loans and advances to customers amounted to \$39,220 million reflecting a year on year growth of \$8,192 million or 26.4%. We are satisfied with the quality of our loan portfolio. Customer Deposits amounted to \$47,122 million, reflecting an increase of \$12,271 million or 35.2%.

As at January 31, 2009 Stockholders' Equity stood at \$6,732 million registering a 15.5% increase over the prior year's balance of \$ 5,831 million.

The Board, management and staff will continue to monitor the economic conditions and take the necessary steps to ensure that the interests of all our stakeholders are promoted in these circumstances.

I thank our customers, employees, shareholders and other stakeholders for their contribution and continued support.

Michael K. Mansoor  
Chairman

March 12, 2009

#### FORWARD-LOOKING STATEMENT DISCLOSURE

This report contains forward-looking statements, including statements about our financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward looking statements provide management's current expectations or forecasts of future events and, by their nature, are subject to assumptions, risks and uncertainties. Although management believes that the expectations and forecasts reflected in these forward-looking statements reasonable, actual results could differ materially from those contained in or implied by such forward-looking statements due to a variety of factors including: (1) changes in interest rates; (2) changes in trade, monetary or fiscal policy; (3) changes in general economic conditions, or in the condition of the local economies in which we have significant operations or assets which could, among other things, materially impact credit quality trends and our ability to generate loans; (4) increased competitive pressure among financial services companies; (5) the inability to successfully execute strategic initiatives designed to grow revenues and/or manage expenses; (6) consummation of significant business combinations or divestitures; (7) operational or risk management failures due to technological or other factors; (8) heightened regulatory practices, requirements or expectations; (9) new legal obligations or restrictions or unfavourable resolution of litigation; (10) adverse capital markets conditions; (11) disruption in the economy and general business climate as a result of terrorists activities or military actions; and (12) changes in accounting or tax practices or requirements. Forward-looking statements are not guarantees of future performance and should not be relied upon as representing management's views as of any subsequent date. We do not assume any obligation to update these forward-looking statements. For further information regarding FirstCaribbean International Bank (Jamaica) Limited, please read FirstCaribbean International Bank (Jamaica) Limited's financial and other reports that are available on the company's website at www.firstcaribbeanbank.com.

### CONDENSED CONSOLIDATED BALANCE SHEET

| Assets  | Unaudited<br>January 31, 2009 | Unaudited<br>January 31, 2008 | Audited<br>October 31, 2008 |
|---|-------------------------------|-------------------------------|-----------------------------|
| Cash and balances with Central Bank                     | 8,455,067                     | 6,426,421                     | 8,283,849                   |
| Loans and advances to banks                             | 3,645,438                     | 2,285,702                     | 1,865,287                   |
| Other assets  | 1,918,159                     | 1,005,000                     | 1,792,449                   |
| Investment securities                                   | 1,572,391                     | 892,434                       | 1,101,528                   |
| Government securities purchased under resale agreements | 225,058                       | 216,698                       | 262,066                     |
| Loans and advances to customers                         | 39,219,754                    | 31,027,575                    | 34,936,630                  |
| Property, plant and equipment                           | 544,021                       | 488,295                       | 549,935                     |
| Deferred tax assets                                     | 12,190                        | 4,514                         | 9,644                       |
| Retirement benefit assets                               | 843,568                       | 858,798                       | 824,680                     |
| <b>Total assets</b>                                     | <b>56,435,646</b>             | <b>43,205,437</b>             | <b>49,626,068</b>           |
| <b>Liabilities</b>                                      |                               |                               |                             |
| Customer deposits                                       | 47,121,863                    | 34,851,212                    | 41,368,967                  |
| Other liabilities                                       | 1,304,412                     | 554,477                       | 858,201                     |
| Taxation payable  | 292,801                       | 121,398                       | 211,871                     |
| Deferred tax liabilities                                | 205,649                       | 217,152                       | 182,756                     |
| Retirement benefit obligations                          | 55,329                        | 73,303                        | 57,180                      |
| Government securities sold under repurchase agreements  | 200,000                       | —                             | —                           |
| Debt securities in issue                                | 523,210                       | 1,557,033                     | 499,950                     |
| <b>Total liabilities</b>                                | <b>49,703,264</b>             | <b>37,374,575</b>             | <b>43,178,925</b>           |
| <b>Stockholders' Equity</b>                             |                               |                               |                             |
| Share capital   | 1,396,667                     | 1,396,667                     | 1,396,667                   |
| Reserves  | 4,241,450                     | 3,819,400                     | 4,312,247                   |
| Retained earnings                                       | 1,094,265                     | 614,795                       | 738,229                     |
| <b>Total equity</b>                                     | <b>6,732,382</b>              | <b>5,830,862</b>              | <b>6,447,143</b>            |
| <b>Total stockholders' equity and liabilities</b>       | <b>56,435,646</b>             | <b>43,205,437</b>             | <b>49,626,068</b>           |

Michael Mansoor  
Chairman

Clovis Metcalfe  
Managing Director

### CONSOLIDATED STATEMENT OF INCOME

|  | Unaudited<br>Quarter ended<br>January 31, 2009 | Unaudited<br>Quarter ended<br>January 31, 2008 | Audited<br>Year ended<br>October 31, 2008 |
|--|--|--|---|
| Interest income  | 1,359,817                                      | 1,205,665                                      | 4,977,464                                 |
| Interest expenses  | (549,735)                                      | (483,627)                                      | (1,882,011)                               |
| <b>Net interest income</b>                                   | <b>810,082</b>                                 | <b>722,038</b>                                 | <b>3,095,453</b>                          |
| Non-interest income  | 383,109  | 128,108  | 594,480                                   |
| <b>Total revenues</b>  | <b>1,193,191</b>                               | <b>850,146</b>                                 | <b>3,689,933</b>                          |
| Non-interest expenses  | (602,441)                                      | (495,860)                                      | (2,312,495)                               |
| Loan loss impairment   | (58,013)                                       | (41,798)                                       | (130,961)                                 |
|  | (660,454)                                      | (537,658)                                      | (2,443,456)                               |
| <b>Income before taxation</b>                                | <b>532,737</b>                                 | <b>312,488</b>                                 | <b>1,246,477</b>                          |
| Taxation   | (176,701)                                      | (107,351)                                      | (411,424)                                 |
| <b>Net income for the period</b>                             | <b>356,036</b>                                 | <b>205,137</b>                                 | <b>835,053</b>                            |
| Weighted average number of common shares outstanding (000's) | 265,757  | 265,757  | 265,757                                   |
| Net income per common share in cents                         | 134.0  | 77.2   | 314.2                                     |

### CONSOLIDATED STATEMENT OF CASH FLOWS

|   | Unaudited<br>Quarter ended<br>January 31, 2009 | Unaudited<br>Quarter ended<br>January 31, 2008 | Audited<br>Year ended<br>October 31, 2008 |
|---|--|--|---|
| Net cash provided by/(used in) operating activities | 1,264,356                                      | 2,632,494                                      | 5,068,725                                 |
| Net cash (used in)/provided by investing activities | (515,943)                                      | 3,179  | (376,170)                                 |
| Net cash (used in)/provided by financing activities | —  | —  | (1,000,050)                               |
| <b>Net increase in cash and cash equivalents</b>    | <b>748,413</b>                                 | <b>2,635,673</b>                               | <b>3,692,505</b>                          |
| Cash and cash equivalents, beginning of period      | 7,302,512                                      | 3,610,007                                      | 3,610,007                                 |
| <b>Cash and cash equivalents, end of period</b>     | <b>8,050,925</b>                               | <b>6,245,680</b>                               | <b>7,302,512</b>                          |

### SEGMENT FINANCIAL INFORMATION

|                                  | Retail & Wealth | Corporate Investment Banking | Treasury Sales & Trading | Strategic Support Units | Eliminations     | Group             |
|----------------------------------|-----------------|------------------------------|--------------------------|-------------------------|------------------|-------------------|
| <b>January 31, 2009</b>          |                 |                              |                          |                         |                  |                   |
| External revenues                | 457,284         | 939,625                      | 235,545                  | 110,472                 | —                | 1,742,926         |
| Revenues from other segments     | 65,274          | (157,418)                    | 212,547                  | —                       | (120,403)        | —                 |
| <b>Total revenues</b>            | <b>522,558</b>  | <b>782,207</b>               | <b>448,092</b>           | <b>110,472</b>          | <b>(120,403)</b> | <b>1,742,926</b>  |
| <b>Segment result</b>            | <b>76,517</b>   | <b>255,944</b>               | <b>321,833</b>           | <b>(121,557)</b>        | <b>—</b>         | <b>532,737</b>    |
| Taxation                         |                 |                              |                          |                         |                  | (176,701)         |
| <b>Net income for the period</b> |                 |                              |                          |                         |                  | <b>356,036</b>    |
| Segment assets                   | 22,627,640      | 25,963,307                   | 12,736,954               | 38,608                  | (4,943,052)      | 56,423,456        |
| Unallocated assets               |                 |                              |                          |                         |                  | 12,190            |
| <b>Total assets</b>              |                 |                              |                          |                         |                  | <b>56,435,646</b> |
| Segment liabilities              | 18,586,350      | 21,730,284                   | 12,862,011               | 605,221                 | (4,579,052)      | 49,204,814        |
| Unallocated liabilities          |                 |                              |                          |                         |                  | 498,450           |
| <b>Total liabilities</b>         |                 |                              |                          |                         |                  | <b>49,703,264</b> |
| <b>Other segment items:</b>      |                 |                              |                          |                         |                  |                   |
| Capital expenditure              | 875             | 118                          | —                        | 20,373                  | —                | 21,366            |
| Depreciation                     | 13,762          | 222                          | 1,078                    | 10,034                  | —                | 25,096            |
| Loan loss expenses               | 1,530           | 56,483                       | —                        | —                       | —                | 58,013            |
| <b>January 31, 2008</b>          |                 |                              |                          |                         |                  |                   |
| External revenues                | 449,818         | 840,894                      | 98,042                   | (54,981)                | —                | 1,333,773         |
| Revenues from other segments     | 27,209          | (75,004)                     | 133,614                  | —                       | (85,819)         | —                 |
| <b>Total revenues</b>            | <b>477,027</b>  | <b>765,890</b>               | <b>231,656</b>           | <b>(54,981)</b>         | <b>(85,819)</b>  | <b>1,333,773</b>  |
| <b>Segment result</b>            | <b>104,053</b>  | <b>437,776</b>               | <b>5,197</b>             | <b>(234,538)</b>        | <b>—</b>         | <b>312,488</b>    |
| Taxation                         |                 |                              |                          |                         |                  | (107,351)         |
| <b>Net income for the period</b> |                 |                              |                          |                         |                  | <b>205,137</b>    |
| Segment assets                   | 20,980,863      | 20,699,361                   | 4,039,742                | 1,308,227               | (3,827,270)      | 43,200,923        |
| Unallocated assets               |                 |                              |                          |                         |                  | 4,514             |
| <b>Total assets</b>              |                 |                              |                          |                         |                  | <b>43,205,437</b> |
| Segment liabilities              | 16,481,475      | 17,760,958                   | 4,436,004                | 1,820,858               | (3,463,270)      | 37,036,025        |
| Unallocated liabilities          |                 |                              |                          |                         |                  | 338,550           |
| <b>Total liabilities</b>         |                 |                              |                          |                         |                  | <b>37,374,575</b> |
| <b>Other segment items:</b>      |                 |                              |                          |                         |                  |                   |
| Capital expenditure              | 4,761           | 350                          | 203                      | 9,060                   | —                | 14,374            |
| Depreciation                     | 9,493           | 160                          | 825                      | 20,802                  | —                | 31,280            |
| Loan loss expenses               | 28,784          | 13,014                       | —                        | —                       | —                | 41,798            |