

# FirstCaribbean International Bank Limited

## Consolidated Financial Statements

For the six months ended April 30, 2010 (expressed in thousands of United States dollars)



FIRSTCARIBBEAN  
INTERNATIONAL BANK

### CHAIRMAN'S REVIEW

Net income for the six month period ended April 30, 2010 amounted to \$94 million versus \$86 million in 2009, an increase of \$8 million or 9%. These results reflect significant increases in operating income, however the underlying core results of the Bank continue to be impacted by the prevailing economic environment.

Total revenues were flat (\$2 million or 1% higher) year on year, with declines in net interest income being offset by increases in operating income. Net interest income was down by \$26 million due to both lower interest rates and average volumes, while operating income was up \$28 million due to higher gains on the sale of investment securities, lower mark to market losses and higher fee income, partially offset by lower gains on the repurchase of debt securities.

Total expenses were substantially unchanged (\$3 million or 1% higher) year on year, with declines in operating expenses of \$5 million being offset by increases in loan loss expenses by \$8 million. Taxation was lower by \$9 million due to lower income earned in the taxable jurisdictions.

The Bank continues to be well capitalized and remains poised to take advantage of future opportunities.

The Directors have approved an interim dividend of \$0.03 cents per share to be paid on June 30, 2010 to the shareholders of record on June 9, 2010.

We thank the Board, management, staff and most importantly our customers for their continuing support.

Michael K. Mansoor  
Chairman

May 27, 2010

#### 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 are 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 terrorist 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 Limited, please read FirstCaribbean International Bank Limited's financial and other reports that are available on the company's website at www.firstcaribbeanbank.com.

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited April 30, 2010	Unaudited April 30, 2009	Audited October 31, 2009
<b>Assets</b>			
Cash, balances with Central Banks and due from banks	1,062,658	1,134,796	1,276,216
Financial assets at fair value through profit or loss	—	39,618	—
Loans and advances to customers	6,624,273	6,880,231	6,905,476
Investment securities	1,874,748	1,879,065	1,743,690
Property and equipment	122,124	120,361	120,988
Other assets	188,032	168,875	114,657
Intangible assets	340,064	343,039	341,550
<b>Total assets</b>	<b>10,211,899</b>	<b>10,565,985</b>	<b>10,502,577</b>
<b>Liabilities</b>			
Customer deposits and other borrowed funds	8,473,703	8,857,417	8,696,842
Other liabilities	151,312	166,775	162,344
Debt securities in issue	30,931	172,691	124,622
<b>Total liabilities</b>	<b>8,655,946</b>	<b>9,196,883</b>	<b>8,983,808</b>
<b>Equity</b>			
<b>Capital and reserves attributable to equity holders of the Parent</b>			
Issued capital and reserves	879,770	772,056	870,581
Retained earnings	646,775	572,573	620,353
	1,526,545	1,344,629	1,490,934
<b>Minority interest</b>	<b>29,408</b>	<b>24,473</b>	<b>27,835</b>
	1,555,953	1,369,102	1,518,769
<b>Total liabilities and equity</b>	<b>10,211,899</b>	<b>10,565,985</b>	<b>10,502,577</b>

Note : Results have been converted to US\$ at an exchange rate of US\$1 = BBD\$2

Michael K. Mansoor  
Chairman

Sir Fred Gollop  
Director

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent					Total Equity
	Share Capital	Treasury Shares	Reserves	Retained Earnings	Minority Interest	
<b>Balance at October 31, 2008</b>	1,117,349	(500)	(371,997)	565,889	25,054	1,335,795
Total comprehensive income	—	—	7,247	71,627	570	79,444
Transfer to reserves	—	—	20,014	(20,014)	—	—
Net disposal of treasury shares	—	396	—	—	—	396
Share based payment reserves	—	—	(453)	—	—	(453)
Equity dividends	—	—	—	(44,929)	—	(44,929)
Dividends of subsidiaries	—	—	—	—	(1,151)	(1,151)
<b>Balance at April 30, 2009</b>	1,117,349	(104)	(345,189)	572,573	24,473	1,369,102
<b>Balance at October 31, 2009</b>	1,117,349	—	(246,768)	620,353	27,835	1,518,769
Total comprehensive income	—	—	(11,787)	92,327	2,493	83,033
Transfer to reserves	—	—	20,976	(20,976)	—	—
Equity dividends	—	—	—	(44,929)	—	(44,929)
Dividends of subsidiaries	—	—	—	—	(920)	(920)
<b>Balance at April 30, 2010</b>	1,117,349	—	(237,579)	646,775	29,408	1,555,953

Note : Results have been converted to US\$ at an exchange rate of US\$1 = BBD\$2

### CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Quarter ended		Unaudited Six months ended		Audited Year Ended
	April 30, 2010	April 30, 2009	April 30, 2010	April 30, 2009	October 31, 2009
Interest and similar income	129,926	150,437	267,293	319,455	614,812
Interest and similar expense	35,175	42,976	71,179	97,775	181,317
<b>Net interest income</b>	<b>94,751</b>	<b>107,461</b>	<b>196,114</b>	<b>221,680</b>	<b>433,495</b>
<b>Operating income</b>	<b>57,397</b>	<b>42,927</b>	<b>95,562</b>	<b>67,993</b>	<b>134,737</b>
	152,148	150,388	291,676	289,673	568,232
Operating expenses	77,408	85,298	155,711	161,025	319,718
Loan loss expenses	12,143	14,848	33,779	25,676	43,369
Amortisation of intangible assets	739	717	1,482	1,474	2,963
	90,290	100,863	190,972	188,175	366,050
Net income before taxation	61,858	49,525	100,704	101,498	202,182
Income tax expense	4,521	7,057	6,392	15,295	26,981
<b>Net income for the period</b>	<b>57,337</b>	<b>42,468</b>	<b>94,312</b>	<b>86,203</b>	<b>175,201</b>
<b>Attributable to:</b>					
Equity holders of the parent	56,353	41,844	92,224	84,656	171,223
Minority interest	984	624	2,088	1,547	3,978
	57,337	42,468	94,312	86,203	175,201
Earnings per common share in cents attributable to the equity holders of the Parent					
- basic	3.7	2.7	6.0	5.6	11.2
- diluted	3.7	2.7	6.0	5.6	11.2

Note : Results have been converted to US\$ at an exchange rate of US\$1 = BBD\$2

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Quarter ended		Unaudited Six months ended		Audited Year ended
	April 30, 2010	April 30, 2009	April 30, 2010	April 30, 2009	October 31, 2009
<b>Net income for the period</b>	<b>57,337</b>	<b>42,468</b>	<b>94,312</b>	<b>86,203</b>	<b>175,201</b>
<b>Other comprehensive income:</b>					
Net (loss) / gain on available-for-sale investment securities, net of tax	(15,268)	802	(10,690)	6,657	112,884
Exchange differences on translation of foreign operations	218	(2,037)	(589)	(13,416)	(13,767)
<b>Other comprehensive income for the period, net of tax</b>	<b>(15,050)</b>	<b>(1,235)</b>	<b>(11,279)</b>	<b>(6,759)</b>	<b>99,117</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>42,287</b>	<b>41,233</b>	<b>83,033</b>	<b>79,444</b>	<b>274,318</b>
<b>Attributable to:</b>					
Equity holders of the parent	41,212	40,117	80,540	78,874	269,479
Minority interest	1,075	1,116	2,493	570	4,839
	42,287	41,233	83,033	79,444	274,318

Note : Results have been converted to US\$ at an exchange rate of US\$1 = BBD\$2