

FirstCaribbean International Bank (Jamaica) Limited



FIRSTCARIBBEAN
INTERNATIONAL BANK

Unaudited Consolidated Financial Statements

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

CHAIRMAN'S REVIEW

For the six months ended April 30, 2010

FirstCaribbean International Bank (Jamaica) Limited recorded net income after taxation of \$375 million for the six month period ended April 30, 2010, compared to \$602 million reported for the prior year comparative period.

Total revenues amounted to \$2.1 billion compared to \$2.2 billion in 2009. Net interest income was up marginally over the prior year by \$55 million, or 3.5%, mainly due to lower deposit liability volumes and rates, however, this was partially offset by lower loan volumes. Non-interest income fell by \$171 million, or 26.3%, primarily due to lower mark to market gains on investment securities. Non-interest expenses rose by \$254 million, or 20%, mainly due to management fees, but also communication, occupancy and staff costs. Loan loss expenses were however lower by \$22 million when compared to the prior year.

Total assets stood at \$53.9 billion as at April 30, 2010 compared to \$55.5 billion as at April 30, 2009. Net loans and advances to customers amounted to \$33.1 billion which was lower than prior year by \$5.2 billion or 14%, while customer deposits amounted to \$45.1 billion, which was lower by \$1.3 billion, or 3%. Deposits have shown some growth during this period, increasing by \$1.2 billion or 2.6% since the start of the financial year. However, loan volumes continue to be adversely affected by the downturn in the level of economic activity.

As at April 30, 2010, Stockholders' Equity stood at \$7.6 billion, representing a 9% increase over the prior year's balance of \$7 billion.

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

May 31, 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 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.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	Unaudited April 30, 2010	Unaudited April 30, 2009	Audited October 31, 2009
Cash and balances with Central Bank	8,161,000	8,396,672	7,814,217
Due from other banks	7,519,740	3,992,899	5,172,697
Investment securities	2,338,089	1,325,297	2,294,308
Government securities purchased under resale agreements	239,985	233,712	252,024
Loans and advances to customers	33,094,841	38,331,900	34,385,404
Property and equipment	623,472	578,866	654,000
Deferred tax assets	8,525	—	7,090
Retirement benefit assets	920,419	862,456	874,124
Other assets	984,991	1,774,244	1,201,986
Total assets	53,891,062	55,496,046	52,655,850
Liabilities			
Customer deposits	45,055,973	46,312,513	43,900,172
Taxation payable	61,527	194,455	85,938
Deferred tax liabilities	217,112	187,324	216,276
Retirement benefit obligations	36,560	53,478	39,330
Debt securities in issue	—	499,950	—
Other liabilities	936,920	1,262,625	1,157,971
Total liabilities	46,308,092	48,510,345	45,399,687
Stockholders' Equity			
Share capital	1,396,667	1,396,667	1,396,667
Reserves	5,577,557	4,248,950	5,473,571
Retained earnings	608,746	1,340,084	385,925
Total equity	7,582,970	6,985,701	7,256,163
Total stockholders' equity and liabilities	53,891,062	55,496,046	52,655,850

Michael Mansoor
Chairman

Clovis Metcalfe
Managing Director

CONSOLIDATED STATEMENT OF INCOME

	Unaudited Quarter ended April 30, 2010	Unaudited Six months ended April 30, 2010	Unaudited Quarter ended April 30, 2009	Unaudited Six months ended April 30, 2009	Audited Year ended October 31, 2009
Interest income	1,072,737	2,328,055	1,280,433	2,640,250	5,220,049
Interest expenses	(252,477)	(678,240)	(495,860)	(1,045,594)	(1,919,876)
Net interest income	820,260	1,649,815	784,573	1,594,656	3,300,173
Non-interest income	214,847	478,520	266,611	649,720	1,056,706
Total revenues	1,035,107	2,128,335	1,051,184	2,244,376	4,356,879
Non-interest expenses	(748,403)	(1,522,402)	(663,522)	(1,268,850)	(2,600,733)
Loan loss impairment	(31,428)	(47,902)	(12,435)	(70,447)	(448,859)
	(779,831)	(1,570,304)	(675,957)	(1,339,297)	(3,049,592)
Income before taxation	255,276	558,031	375,227	905,079	1,307,287
Taxation	(82,722)	(183,149)	(127,389)	(303,224)	(420,629)
Net income for the period	172,554	374,882	247,838	601,855	886,658
Weighted average number of common shares outstanding (000's)	265,757	265,757	265,757	265,757	265,757
Net income per common share in cents	65	141	93	226	334

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Quarter ended April 30, 2010	Unaudited Six months ended April 30, 2010	Unaudited Quarter ended April 30, 2009	Unaudited Six months ended April 30, 2009	Audited Year ended October 31, 2009
Net income for the period	172,554	374,882	247,838	601,855	886,658
Other comprehensive (losses)/ income					
Net (losses)/gains on available-for-sale investment securities, net of taxes	(46,543)	(48,075)	7,500	(63,297)	28,665
Total comprehensive income for the period, net of tax	126,011	326,807	255,338	538,558	915,323
Attributable to equity holders of the parent	126,011	326,807	255,338	538,558	915,323

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Six months ended April 30, 2010	Unaudited Six months ended April 30, 2009	Audited Year ended October 31, 2009
Net cash provided by operating activities	797,649	278,896	2,801,331
Net cash used in investing activities	(1,326,314)	(1,520,564)	(2,725,161)
Net cash used in financing activities	—	—	(606,253)
Net decrease in cash and cash equivalents	(528,665)	(1,241,668)	(530,083)
Effect of exchange rate changes on cash and cash equivalents	28,194	942,023	1,054,506
Cash and cash equivalents, beginning of period	7,938,287	7,413,864	7,413,864
Cash and cash equivalents, end of period	7,437,816	7,114,219	7,938,287