



FirstCaribbean International Bank (Bahamas) Limited

Chairman's Review Of the Unaudited Results For the nine months ending July 31, 2003

The consolidated net income of FirstCaribbean International Bank (Bahamas) Limited for the nine months ended July 31, 2003 was \$36.1 million. Consolidated net income before integration charges and goodwill amortisation was \$44.1 million. Earnings per share, after integration charges and goodwill amortisation was 30.2 cents. Excluding these charges, earnings per share was 36.8 cents.

It should be noted that the published balances for July 31 2002 represent Barclays operations in the Bahamas and the Turks & Caicos Islands only. This presentation is required by International Accounting Standards, as the reverse acquisition accounting treatment applied to the combination requires the comparative financial information to be that of the deemed acquirer (Barclays). Because of this, there are large increases in all balances when compared to the prior period.

Because the prior year comparative results for July 31 2002 are those of Barclays only, the following schedule of Unaudited Pro-forma Financial Results is provided to assist with understanding the underlying business trends and assessing the performance of the combined entities. These pro-forma results show a prior year comparison of the combined results of both CIBC Bahamas Limited operations and Barclays Bahamas and Turks & Caicos Islands operations.

On the pro-forma basis, operating profit has increased by \$5 million when compared to the same period of fiscal 2002 as a result of lower operating costs including a reduction in the provision made for loan losses. Charges to the profit and loss statement for the non-cash expense of amortisation of goodwill, which arose on the combination of the two banks, as well as charges for integration costs has resulted in the net profit for the period being \$2.9 million below the same period of the prior year.

Earnings per share, on a pro-forma basis, for the nine months period declined by 6 cents, however, before deductions for integration costs and goodwill amortisation, earnings per share increased by 0.5 cent over the same period last year.

A comparison of the Bank's assets and liabilities since last year end shows that the total assets have grown by 2% or \$58 million.

FirstCaribbean International Bank (Bahamas) Limited
Unaudited Proforma Financial Results

B\$000's

	July 31, 2003	July 31, 2002
Net Interest Income	65,728	65,503
Non - interest income	29,157	29,223
Total Income	<u>94,885</u>	<u>94,726</u>
Non - interest expense	44,622	48,518
Loan loss provision	6,206	7,201
	<u>50,828</u>	<u>55,719</u>
Operating profit	44,057	39,007
Integration costs	536	
Goodwill amortisation	7,392	
Net Income	<u>36,129</u>	<u>39,007</u>
Total Assets	3,260,366	3,101,547
Total Loans	1,494,020	1,534,440
Total Cash & Investments	1,508,971	1,484,350
Total Deposits	2,727,462	2,857,987
Average number of shares outstanding (000's)	119,676	107,570
Earnings per share (in cents)	30.2	36.3
Earnings per share, before goodwill & integration costs(in cents)	36.8	36.3
Return on equity	16.6%	n/a
Return on equity, before goodwill & integration costs	20.3%	n/a

Note:

The proforma results for 2003 represents actual 9 months results of FirstCaribbean International Bank (Bahamas) Limited to July 31, 2003 and for 2002 represents actual 9 months results for CIBC Bahamas Ltd and normalised 9 months results for Barclay's Bahamas and Turks & Caicos Islands operations to July 31, 2002.

We are successfully implementing the integration program, which includes re-branding and implementation of a standard technology platform over a two-year period. We will keep shareholders apprised of our progress in this work over the following quarters.

Michael K. Mansoor
 Chairman