

FirstCaribbean International Bank (Bahamas) Limited

Consolidated Financial Statements

For the six months ended April 30, 2006



FIRSTCARIBBEAN
INTERNATIONAL BANK

CHAIRMAN'S REVIEW

The consolidated net income of FirstCaribbean International Bank (Bahamas) Limited for the first six months of the 2006 fiscal year was \$55.3 million, an increase of 14% over last year. Earnings per share for the period was 46 cents, an increase of 5.7 cents over last year.

Net interest income for the Bank continued to improve and totaled \$71 million for the six months ended April 30, 2006. This represented a \$10 million or 16% improvement over the same period last year, as total loans were 34% higher than last year with significant growth in residential mortgages and business loans, additionally, US interest rates continued to increase.

Operating expenses for the period were \$31.9 million, \$1.7 million higher than the same period last year primarily because of the gain on the sale of a building last year. The ratio of expenses to revenue improved by 1.6% over last year to 35.5% for the first six months of this fiscal year.

Total assets of the Bank at April 30, 2006 were \$3.8 billion representing a 13% growth or \$433 million from last year. Total loans grew by \$588 million to \$2.3 billion as residential mortgages and business loans grew by \$115 million and \$416 million respectively. Total deposits for the bank also increased 13% or by \$374 million from last year to \$3.15 billion. Both the return on equity and the return on assets continued to reflect the Bank's strong performance. The return on equity was 28% and the return on assets rose to 3.05% for the six month period, which was an improvement from the same period last year.

The Directors have declared an interim dividend of 25 cents per share, (April 2005-20 cents per share), payable on July 5, 2006 to shareholders of record at the close of business on June 27, 2006.

We are looking forward to the continuation of the Bank's strong performance and profitability, as the economy remains strong and the market conditions favorable.

Michael K. Mansoor
Chairman

FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS Six Months Ended April 30, 2006

1. Accounting Policies

These consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of these consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended October 31, 2005.

The consolidated interim financial statements include the accounts of the following wholly owned subsidiaries:

FirstCaribbean International Finance Corporation (Bahamas) Limited
FirstCaribbean International (Bahamas) Nominees Company Limited
FirstCaribbean International Land Holdings (TCI) Limited

2. Comparatives

Where necessary, comparative figures have been adjusted to comply with changes in presentation in the current period.

FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED CONSOLIDATED BALANCE SHEET B\$'000

Assets	Unaudited April 30, 2006	Unaudited April 30, 2005	Audited October 31, 2005
Cash and advances to banks	647,046	857,999	791,661
Securities	563,847	497,404	468,811
Loans	2,305,917	1,717,444	1,972,392
Goodwill	187,747	187,747	187,747
Fixed assets	30,115	33,066	31,764
Other assets	47,231	55,270	57,767
Total assets	3,781,903	3,348,930	3,510,142
Liabilities			
Total deposits	3,154,207	2,780,501	2,856,737
Other liabilities	29,561	16,587	73,685
Total liabilities	3,183,768	2,797,088	2,930,422
Shareholders' Equity			
Share capital & reserves	432,983	416,464	417,281
Retained earnings	165,152	135,378	162,439
	598,135	551,842	579,720
Total liabilities and shareholders' equity	3,781,903	3,348,930	3,510,142

Sharon Brown
Director

Terence Hills
Director

FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY B\$'000

	Share Capital & Reserves	Retained Earnings	Total
Balance at October 31, 2004	414,364	110,728	525,092
Net income for the period	-	48,389	48,389
Dividends	-	(21,639)	(21,639)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	2,100	(2,100)	-
Balance at April 30, 2005	416,464	135,378	551,842
Balance at October 31, 2005	417,281	162,439	579,720
Net income for the period	-	55,298	55,298
Dividends	-	(36,066)	(36,066)
Revaluation gains/(losses)	(817)	-	(817)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	4,000	(4,000)	-
Transfer to Statutory Loan Reserve	12,519	(12,519)	-
Balance at April 30, 2006	432,983	165,152	598,135

FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED CONSOLIDATED STATEMENT OF CASH FLOWS B\$'000

	Unaudited Six Months Ended April 30, 2006	Unaudited Six Months Ended April 30, 2005
Net cash provided by (used in) operating activities	(56,846)	12,793
Net cash used in financing activities	(36,066)	(21,639)
Net cash provided by (used in) investing activities	(51,703)	985
Net decrease in cash and cash equivalents	(144,615)	(7,861)
Cash and cash equivalents, beginning of period	742,111	819,798
Cash and cash equivalents, end of period	597,496	811,937

FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED CONSOLIDATED STATEMENT OF INCOME B\$'000

	Unaudited Quarter Ended		Unaudited Six Months Ended		Audited Year Ended
	April 30, 2006	April 30, 2005	April 30, 2006	April 30, 2005	October 31, 2005
Total interest income	55,419	45,364	108,783	90,619	188,119
Total interest expenses	(19,960)	(15,000)	(37,977)	(29,620)	(61,650)
Net interest income	35,459	30,364	70,806	60,999	126,469
Non-interest income	7,776	9,865	18,928	20,234	39,100
	43,235	40,229	89,734	81,233	165,569
Non-interest expenses	15,443	14,365	31,900	30,164	62,158
Provision for credit losses	1,695	1,140	2,536	2,680	3,918
	17,138	15,505	34,436	32,844	66,076
Net income	26,097	24,724	55,298	48,389	99,493

Weighted average number of common shares outstanding for the period
Earnings per share (in cents)

120,216,204	120,216,204	120,216,205
46.0	40.3	82.8