FirstCaribbean International Bank Limited

Condensed Consolidated Financial Statements

For the Third Quarter ended July 31, 2006 (expressed in thousands of United States dollars)

FIRSTCARIBBEAN INTERNATIONAL BANK

Chairman's Review

The Group continues to perform consistently with expectations, delivering another strong performance for this quarter with net income of $42.6 million. Net income for the nine-month period amounted to $128.3 million, which, excluding the gain on the sale of the Republic Bank shares of $117 million reported last year, reflects an increase in earnings of 23% year-on-year.

In accordance with IFRS 3 (Business Combinations) and IAS 38 (Intangible Assets), the Bank is required to assess the fair value of any intangible assets arising from acquisitions and their economic lives. During the quarter, the Group concluded its assessment of these assets with respect to the acquisition of the ABN AMRO Offshore and Wealth Management business in Curaçao, completed in the previous quarter. This assessment resulted in the identification of specific intangible assets related to customer relationships, with a remaining estimated economic life of six years. The impact of this assessment resulted in a year-to-date amortisation charge on intangible assets of $1.5 million.

Total revenue increased by $49 million (15%), excluding the gain on the sale of the Republic Bank shares with net interest income being the main driver. Net Interest income has risen by $37.5 million or 16% over the prior year, despite the increase in costs of our subordinated debt of $5 million (which was issued in March 2005 to replace our preference shares), driven principally by increases in loan balances.

Loan balances have grown by $1 billion (22%) over the prior year and now stand at $5.4 billion.

Operating expenses were 7.6% above the prior year, due in part to the recent acquisition in Curaçao. Our efficiency ratio (ratio of costs to revenues) was 57.4%, a marked improvement over the prior year of 61.4%, reflecting our continued efforts to improve productivity and manage growth in an effective and efficient manner.

Annualised return on tangible equity for the period was 21.7%.

On June 28, 2006, Barclays and CIBC executed a purchase and sale agreement with respect to the sale by Barclays of its 43.7% interest in FirstCaribbean. FirstCaribbean is currently working with Regulatory bodies to obtain all required approvals. It is expected that such approvals will be received in the near term. On August 9, 2006, the Special Committee of the Board met to continue its ongoing review of the transaction. Shareholders will receive the appropriate documentation in due course in respect of the transaction.

We thank our customers and employees for their loyalty and support.

Michael K. Mansoor
Chairman
September 8, 2006

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 BALANCE SHEET (USD'000)

	Unaudited Period ended July 31, 2006	Unaudited Period ended July 31, 2005	Audited October 31, 2005
Assets			
Cash, balances with Central Banks and other banks	2,867,825	2,777,641	2,900,039
Trading securities	696,658	579,175	668,899
Loans and advances to customers	5,433,691	4,437,253	4,630,998
Investment securities	681,138	681,155	646,594
Property and equipment	141,208	149,221	148,956
Other assets	589,200	50,784	266,912
Intangible assets	350,223	305,535	305,535
	10,759,943	8,980,764	9,567,933
Liabilities			
Customer deposits	8,997,704	7,587,065	7,771,743
Other liabilities	366,642	97,168	463,915
Debt securities in issue	200,489	200,054	198,274
	9,564,835	7,884,287	8,433,932
Minority interest	22,371	19,953	21,334
Equity			
Share capital & reserves	773,812	729,096	736,601
Retained earnings	398,925	347,428	376,066
	1,172,737	1,076,524	1,112,667
	10,759,943	8,980,764	9,567,933

Sir Fred Gollop
Director

Richard Venn
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (USD'000)

	Share Capital	Reserves	Retained Earnings	Total Equity
Balance at October 31, 2004	1,297,349	(285,625)	195,379	1,207,103
Net income for the period	–	–	221,853	221,853
Dividends	–	–	(52,512)	(52,512)
Redemption of preference shares	(180,000)			(180,000)
Transfer to reserves	–	17,292	(17,292)	–
Foreign currency translation	–	(714)	–	(714)
Net change in available-for-sale investments securities	–	(119,206)	–	(119,206)
Balance at July 31, 2005	1,117,349	(388,253)	347,428	1,076,524
Balance at October 31, 2005	1,117,349	(380,748)	376,066	1,112,667
Net income for the period	–	–	128,309	128,309
Dividends	–	–	(68,632)	(68,632)
Transfer to reserves	–	36,818	(36,818)	–
Foreign currency translation	–	(1,917)	–	(1,917)
Net change in available-for-sale investments securities	–	(2,040)	–	(2,040)
Net change in cash flow hedges	–	4,350	–	4,350
Balance at July 31, 2006	1,117,349	(343,537)	398,925	1,172,737

CONDENSED CONSOLIDATED STATEMENT OF INCOME (USD'000)

	Unaudited Quarter ended July 31, 2006	Unaudited Quarter ended July 31, 2005	**Unaudited Period ended July 31, 2006**	Unaudited Period ended July 31, 2005	**Audited Oct 31, 2005**
Interest income	167,403	123,095	461,735	355,922	479,415
Interest expense	(72,431)	(44,332)	(188,747)	(120,415)	(168,664)
Net interest income	94,972	78,763	272,988	235,507	310,751
Operating income	33,910	25,581	99,930	205,645	235,817
	128,882	104,344	372,918	441,152	546,568
Operating expenses	73,814	65,455	214,217	199,099	262,172
Loan loss expenses	2,698	1,155	7,598	4,911	7,308
Intangibles amortisation	1,479	-	1,479	-	-
	77,991	66,610	223,294	204,010	269,480
Income before taxation and minority interest	50,891	37,734	149,624	237,142	277,088
Taxation	6,818	2,342	17,018	11,554	13,973
Income before minority interest	44,073	35,392	132,606	225,588	263,115
Minority interest	1,442	1,199	4,297	3,735	5,180
Net income for the period	42,631	34,193	128,309	221,853	257,935
Average number of common shares outstanding (000's)	1,525,176	1,525,176	1,525,176	1,525,176	1,525,176
Net income per common share in cents					
- basic	2.8	2.2	8.4	14.5	16.9
- diluted	2.8	2.2	8.4	14.5	16.9

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (USD'000)

	Unaudited Period ended July 31, 2006	Unaudited Period ended July 31, 2005	Audited October 31, 2005
Net cash (used in)/from operating activities	(539,988)	(9,777)	240,326
Net cash (used in)/from investing activities	(87,602)	27,306	278,752
Net cash used in financing activities	(78,257)	(35,905)	(59,740)
Net (decrease)/increase in cash and cash equivalents for the period	(705,847)	(18,376)	459,338
Cash and cash equivalents acquired as a result of an acquisition	984,783	-	4,701
Effect of exchange rate changes on cash and cash equivalents	(1,917)	(714)	(2,066)
Cash and cash equivalents, beginning of period	2,002,667	1,540,694	1,540,694
Cash and cash equivalents, end of period	2,279,686	1,521,604	2,002,667

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – UNAUDITED
July 31, 2006
(expressed in thousands of United States Dollars)

Summary of significant accounting policies

Basis of presentation

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank Limited (the Group) should be read in conjunction with the IFRS consolidated financial statements and notes thereto for the year ended October 31, 2005, included in the Group's Annual Report 2005. For a description of the Group's significant accounting policies, see Note 2 of the aforementioned consolidated financial statements.

Certain financial information, which is normally included in annual financial statements prepared in accordance with IFRS but not required for interim reporting purposes has been condensed or omitted. Certain reclassifications have been made to the prior periods' financial statements to conform to the current period's presentation. These condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the condensed consolidated financial statements for the interim periods presented.

The results of operations for interim periods are not necessarily indicative of results for the entire year.

In preparing these condensed consolidated financial statements, management is required to make estimates and assumptions which affect amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Acquisitions

The Group acquired 100% of the voting shares of ABN AMRO Bank Curaçao N.V. and its subsidiary ABN AMRO Asset Management (Curaçao) N.V. (jointly referred to hereinafter as "ABN AMRO Curaçao") effective February 1, 2006. ABN AMRO Curaçao's main business activities are the provision of fiduciary services to its clients.

The excess of the cost of the acquisition over the fair value of the identifiable assets, liabilities, and contingent liabilities amounted to $46 million and is included within Intangible Assets on the Balance Sheet. The goodwill on acquisition can change based on the purchase price terms and conditions as highlighted in Note 34 of the consolidated financial statements within the Group's Annual Report 2005. The acquired bank contributed operating profit of $5.8 million to the Group for the six-month period ended July 31, 2006.

Transactions affecting year-on-year comparisons

Sale of Republic Bank Limited shares
The comparative period July 31, 2005 includes the gain on sale of Republic Bank Limited shares of $117 million.

Debt securities in issue
The comparative period July 31, 2005 would include interest expenses for four and a half months as the debt securities were issued in March 2005.

Related party transactions
The agreement with Barclays Bank PLC whereby the Group would receive an annual payment from Barclays Bank PLC of $10 million as an incentive to retain deposit placements with Barclays Capital expired on December 31, 2005. The comparative period July 31, 2005 would therefore include income for nine months within operating income.

Intangible assets
Intangible assets comprise goodwill in the amount of $334 million and customer relationship intangible assets in the amount of $17 million out of the ABN AMRO acquisition fair value exercise. To date, $1.5 million of the customer relationship intangible asset has been amortised through the income statement based on useful life of six years.

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

The above information is also available at our website **www.firstcaribbeanbank.com**