



FirstCaribbean International Bank (Bahamas) Limited
Chairman's Review
Of the Results
For the nine months ended July 31, 2009

The consolidated net income of FirstCaribbean International Bank (Bahamas) Limited for the third quarter was \$19.4m. Net income for the nine months was \$49.2m, representing earnings per share of 41 cents.

Net income for the nine months ended July 31 is indicative of the following significant factors:

- Lower international interest rates partially offset by higher loan volumes has caused net interest income to come in \$3.9m lower at \$105.9m than last year
- For the nine months of Fiscal 2009, operating income improved \$4m to \$15.5m compared to the same period in 2008
- Operating expenses were higher than the prior year due to significantly increased bank license fees, employee related costs, including previously negotiated wage increases, as well as higher pension expenses
- The impact of current economic developments on our portfolio has resulted in higher loan loss provisions

Loans and advances of \$2.6b reflected a growth of \$139 million, or 6%, from the prior year, as efforts to attract new opportunities remained a high priority.

Given the current global and regional tightening economic conditions, these results are in accordance with our expectations. The Bank remains well capitalized, with a current Tier-1 capital ratio of 17.7%, well in excess of the minimum requirement of 14%.

We thank our customers and shareholders for their continuing loyalty and patronage and our dedicated staff for their contributions.

Michael K. Mansoor
Chairman

FirstCaribbean International Bank (Bahamas) Limited
Consolidated Balance Sheet
BS'000

	Unaudited July 31, 2009	Unaudited July 31, 2008	Audited October 31, 2008
Assets			
Cash and due from banks	214,137	487,361	259,951
Securities	753,699	1,145,519	1,081,872
Loans and advances to customers	2,609,109	2,470,152	2,539,072
Goodwill	187,747	187,747	187,747
Property and equipment	26,141	25,919	25,913
Other assets	67,225	33,897	43,435
Total assets	3,858,058	4,350,595	4,137,990
Liabilities			
Deposits	3,113,523	3,600,070	3,445,010
Other liabilities	61,157	65,168	47,168
Debt securities in issue (Note 3)	-	20,313	-
Total liabilities	3,174,680	3,685,551	3,492,178
Equity			
Share capital & reserves	447,040	458,844	413,847
Retained earnings	236,338	206,200	231,965
	683,378	665,044	645,812
Total liabilities and equity	3,858,058	4,350,595	4,137,990

Director

Director

FirstCaribbean International Bank (Bahamas) Limited
Consolidated Statement of Income
BS'000

	Unaudited Quarter Ended		Unaudited Nine Months Ended		Audited Year Ended
	July 31, 2009	July 31, 2008	July 31, 2009	July 31, 2008	October 31, 2008
Total interest income	53,019	66,981	164,905	197,656	263,605
Total interest expense	(17,728)	(28,384)	(58,936)	(87,814)	(108,028)
Net interest income	35,291	38,597	105,969	109,842	155,577
Operating income	7,835	13,348	15,483	11,500	16,017
	43,126	51,945	121,452	121,342	171,594
Operating expenses	17,508	16,521	51,994	49,053	64,340
Loan loss expense	6,182	8,718	20,253	15,026	23,350
	23,690	25,239	72,247	64,079	87,690
Net income	19,436	26,706	49,205	57,263	83,904

	July 31, 2009	July 31, 2008	October 31, 2008
Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204
Earnings per share (in cents)	40.9	47.6	69.8

FirstCaribbean International Bank (Bahamas) Limited
Consolidated Statement of Changes in Equity
BS'000

	Share Capital & Reserves	Retained Earnings	Total
Balance at October 31, 2007	436,297	207,035	643,332
Net income for the period	-	57,263	57,263
Dividends	-	(54,098)	(54,098)
Revaluation reserve—available for sale investments	18,547	-	18,547
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	6,085	(6,085)	-
Release from statutory loan reserve	-	-	-
	(2,085)	2,085	-
Balance at July 31, 2008	458,844	206,200	665,044
Balance at October 31, 2008	413,847	231,965	645,812
Net income for the period	-	49,205	49,205
Dividends	-	(42,076)	(42,076)
Revaluation reserve—available for sale investments	30,437	-	30,437
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	5,028	(5,028)	-
Release from statutory loan reserve	(2,272)	2,272	-
	447,040	236,338	683,378

FirstCaribbean International Bank (Bahamas) Limited
Consolidated Statement of Cash Flows
BS'000

	Unaudited Nine Months Ended July 31, 2009	Unaudited Nine Months Ended July 31, 2008	Audited Year Ended October 31, 2008
Net cash from operating activities	6,061	395,915	93,782
Net cash from (used in) financing activities	(42,076)	(332,575)	(347,641)
Net cash from (used in) investing activities	79,202	(96,287)	115,918
Net increase (decrease) in cash and cash equivalents	43,187	(32,947)	(137,941)
Cash and cash equivalents, beginning of period	98,763	206,145	236,704
Cash and cash equivalents, end of period	141,950	173,198	98,763

FirstCaribbean International Bank (Bahamas) Limited
Notes to Consolidated Interim Financial Statements
Nine Months Ended
July 31, 2009

1. Accounting Policies

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, 2008.

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 (TCL) Limited

2. Comparatives

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

3. Other liabilities

During the year ended October 31, 2007, the Bank issued \$20 million in redeemable floating rate notes, with interest payable at a rate of Bahamas Prime plus 0.75% per annum. The unsecured notes were scheduled to mature on November 3, 2011, but were subject to early redemption at the option of the Bank. The Bank exercised the early redemption clause and called the notes in September 2008.