



FirstCaribbean International Bank (Bahamas) Limited

**Chairman's Review
Of the Results
For the year ended October 31, 2009**

The Bank has delivered relatively strong results, despite the challenging economic environment, with net income of \$78.6 million as compared to \$83.9m in 2008.

While loans and advances to customers remained relatively flat, year-over-year, the investment securities trading portfolio was sold and customer deposits, including inter-group deposits, declined. The balance sheet movements and falling international interest rates impacted net interest income.

Operating income exceeded the prior year by \$9.3 million or 58% primarily due to the sale of investment securities and a decline in mark-to-market losses. The Bank also benefited from a \$4.8 million improvement in loan loss expense.

The increase in Operating expenses arose because of previously negotiated wage increases and higher pension costs, banking and other fees.

At its meeting on December 15, 2009, the Board of Directors declared a final dividend of 16 cents per share payable on January 25, 2010 to shareholders of record at the close of business on January 15, 2010. Previously, an interim dividend of fifteen cents per share was paid, bringing the total dividend to thirty-one cents per share for 2009.

We thank the Board, management, staff and most importantly our customers for their continuing support.

Michael K. Mansoor
Chairman

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

	Audited October 31, 2009	Audited October 31, 2008
Assets		
Cash and due from banks	411,371	259,951
Securities	580,259	1,081,872
Loans and advances to customers	2,541,756	2,539,072
Goodwill	187,747	187,747
Property and equipment	26,009	25,913
Other assets	15,530	43,435
Total assets	3,762,672	4,137,990
Liabilities		
Customer deposits	2,985,964	3,445,010
Other liabilities	69,527	47,168
Total liabilities	3,055,491	3,492,178
Equity		
Share capital & reserves	442,059	477,230
Retained earnings	265,122	168,582
	707,181	645,812
Total liabilities and equity	3,762,672	4,137,990

Director

Director

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

	Unaudited Quarter Ended		Audited Year Ended	
	October 31, 2009	October 31, 2008	October 31, 2009	October 31, 2008
Total interest income	52,113	65,949	217,018	263,605
Total interest expense	(15,189)	(20,214)	(74,125)	(108,028)
Net interest income	36,924	45,735	142,893	155,577
Operating income	9,859	4,517	25,342	16,017
	46,783	50,252	168,235	171,594
Operating expenses	19,085	15,287	71,079	64,340
Loan loss impairment	(1,734)	8,324	18,519	23,350
	17,351	23,611	89,598	87,690
Net income	29,432	26,641	78,637	83,904

Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204	120,216,204
Earnings per share (in cents)	24.5	22.2	65.4	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 year	-	83,904	83,904
Dividends	-	(54,097)	(54,097)
Revaluation reserve- available for sale securities	(27,327)	-	(27,327)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	6,085	(6,085)	-
Transfer to Statutory Loan Reserve-Bahamas	(1,208)	1,208	-
Balance at October 31, 2008	413,847	231,965	645,812
Net income for the year	-	78,637	78,637
Dividends	-	(42,076)	(42,076)
Revaluation reserve- available for sale securities	24,808	-	24,808
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	(1,624)	1,624	-
Transfer to Statutory Loan Reserve-Bahamas	5,028	(5,028)	-
Balance at October 31, 2009	442,059	265,122	707,181

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

	Audited Year Ended October 31, 2009	Audited Year Ended October 31, 2008
Net cash from operating activities	(105,763)	93,782
Net cash from investing activities	264,502	115,918
Net cash used in financing activities	(42,076)	(347,641)
Net increase (decrease) in cash and cash equivalents	116,663	(137,941)
Cash and cash equivalents, beginning of year	98,763	236,704
Cash and cash equivalents, end of year	215,426	98,763

**FirstCaribbean International Bank (Bahamas) Limited
Notes to Consolidated Financial Statements
Year Ended
October 31, 2009**

1. Accounting Policies

The accounting policies used in the preparation of these consolidated 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. Dividends

At the Board of Directors meeting held on December 15, 2009, a final dividend of \$0.16 per share amounting to \$19.235 million in respect of the 2009 net income was declared. The consolidated financial statements for the year ended October 31, 2009 do not reflect this resolution, which will be accounted for in equity as a distribution of retained earnings in the year ending October 31, 2010.