



**FirstCaribbean International Bank (Bahamas) Limited**  
**Chairman's Review**  
**Of the Results**  
**For the First Quarter Ended January 31, 2011**

Net income for the first quarter amounted to \$14.3 million, compared to \$18.7 million in 2010. The Bank continues to be adversely impacted by the slow economic recovery, low interest rates and weak loan demand.

Total revenues remained flat to the prior year with increased net interest income being offset by a decline in operating income. The decline in deposit volumes combined with lower cost of deposits were the primary drivers for the overall increase of \$1.7 million in net interest income. The reduction in operating income was due to lower securities gains and investment banking fee income.

Operating expenses increased by \$1.3 million or 7% mainly due to the timing of the allocation of head office support costs and occupancy charges. Loan loss impairment expense increased by \$3.0 million.

The Bank's Tier I and Total Capital ratios continue to be strong at 21.6% and 22.3% respectively, which allows the Bank to be well poised to take advantage of future opportunities.

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

Michael K. Mansoor  
Chairman

**FirstCaribbean International Bank (Bahamas) Limited**  
**Condensed Consolidated Statement of Financial Position**  
BS'000

	Unaudited January 31, 2011	Unaudited January 31, 2010	Audited October 31, 2010
<b>Assets</b>			
Cash and due from banks	203,150	306,836	238,119
Securities	701,432	591,580	687,462
Loans and advances to customers	2,381,755	2,459,863	2,418,836
Goodwill	187,747	187,747	187,747
Property and equipment	25,455	25,680	25,346
Other assets	90,482	71,116	41,486
<b>Total assets</b>	<b>3,590,021</b>	<b>3,642,822</b>	<b>3,598,996</b>
<b>Liabilities</b>			
Total deposits	2,776,747	2,867,072	2,767,359
Other borrowed funds	54,350	44,544	75,976
Other liabilities	24,314	18,458	24,807
<b>Total liabilities</b>	<b>2,855,411</b>	<b>2,930,074</b>	<b>2,868,142</b>
<b>Equity</b>			
Share capital and reserves	452,930	447,333	442,483
Retained earnings	281,680	265,415	288,371
	734,610	712,748	730,854
<b>Total liabilities and equity</b>	<b>3,590,021</b>	<b>3,642,822</b>	<b>3,598,996</b>

Marie Holland-Allen  
Director

John E. Brown  
Director

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

	Share Capital & Reserves	Retained Earnings	Total
<b>Balance at October 31, 2009</b>	442,059	265,122	707,181
Total comprehensive income for the period	6,055	18,747	24,802
Dividends	-	(19,235)	(19,235)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	4,702	(4,702)	-
Transfer to Statutory Loan Reserve	(5,483)	5,483	-
<b>Balance at January 31, 2010</b>	<b>447,333</b>	<b>265,415</b>	<b>712,748</b>
<b>Balance at October 31, 2010</b>	442,483	288,371	730,854
Total comprehensive income for the period	7,490	14,297	21,787
Dividends	-	(18,031)	(18,031)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	3,130	(3,130)	-
Transfer to Statutory Loan Reserve	(173)	173	-
<b>Balance at January 31, 2011</b>	<b>452,930</b>	<b>281,680</b>	<b>734,610</b>

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

	Unaudited Three Months Ended		Audited Year Ended
	January 31, 2011	January 31, 2010	October 31, 2010
Total interest income	47,943	48,425	192,990
Total interest expense	(14,393)	(16,550)	(63,955)
Net interest income	33,550	31,875	129,035
Operating income	7,379	9,233	40,126
	40,929	41,108	169,161
Operating expenses	19,388	18,127	77,094
Loan loss expense	7,244	4,234	30,204
	26,632	22,361	107,298
Net income for the period	14,297	18,747	61,863

Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204
Earnings per share (in cents)	11.9	15.6	51.5

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

	Unaudited Three Months Ended		Audited Year Ended
	January 31, 2011	January 31, 2010	October 31, 2010
Net income for the period	14,297	18,747	61,863
<b>Other comprehensive income</b>			
Net gains on available-for-sale investment securities	7,490	6,055	24,808
<b>Total comprehensive income for the period</b>	<b>21,787</b>	<b>24,802</b>	<b>86,671</b>

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

	Unaudited Three Months Ended January 31, 2011	Unaudited Three Months Ended January 31, 2010	Audited Year Ended October 31, 2010
Net cash from/(used in) operating activities	78,360	(112,462)	(29,106)
Net cash from/(used in) investing activities	1,150	(4,459)	(80,199)
Net cash used in financing activities	(24,601)	(19,235)	(37,266)
Net increase/(decrease) in cash and cash equivalents	54,909	(136,156)	(146,571)
Cash and cash equivalents, beginning of period	68,855	215,426	215,426
Cash and cash equivalents, end of period	123,764	79,270	68,855

**FirstCaribbean International Bank (Bahamas) Limited**  
**Notes to Consolidated Financial Statements**  
January 31, 2011

**Summary of significant accounting policies**  
**Basis of presentation**

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank (Bahamas) Limited should be read in conjunction with the IFRS consolidated financial statements and notes thereto for the year ended October 31, 2010, included in the Bank's Annual Report 2010. For a description of the Bank'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, have been condensed or omitted. Certain reclassifications have been made to the prior period's 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 that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

The consolidated interim financial statements include the accounts of the following wholly owned subsidiaries:  
FirstCaribbean International Finance Corporation (Bahamas) Limited  
FirstCaribbean International (Bahamas) Nominee Company Limited  
FirstCaribbean International Land Holdings (TCI) Limited

**Transactions affecting year-over-year comparisons**

**Dividends**

During the quarter, the final dividends for the fiscal year ended October 31, 2010, in the amount of fifteen cents per share were paid, as approved by the Board of Directors on December 14, 2010.