



FirstCaribbean International Bank (Bahamas) Limited
Chairman's Review
Of the Results
For the six months ended April 30, 2012

Consolidated net income for the six months ended April 30, 2012 totaled \$30.4 million, an increase of \$3.8 million, or 14%, when compared to the same period in the prior year.

Total revenues were flat year on year, with increases in net interest income being offset by declines in operating income. Net interest income was higher by \$2.8 million, primarily due to declines in funding costs and derivative volumes. Conversely, operating income declined by \$2.3 million from the prior year, primarily due to lower securities gains.

Operating expenses declined by \$0.9 million, as the Bank continues to focus on management of controllable costs. Additionally, loan loss impairment expense decreased by \$2.4 million from the same period in 2011.

The Bank maintains a strong foundation with the Tier 1 and Total Capital ratios at 26%, which are well in excess of the regulatory requirements.

The Directors have declared an interim dividend of 13 cents per share payable on July 12, 2012 to shareholders of record at the close of business on July 5, 2012.

I thank the Board, staff and our customers for their ongoing support.

Michael K. Mansoor
Chairman

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

	Unaudited April 30, 2012	Unaudited April 30, 2011	Audited October 31, 2011
Assets			
Cash, balances with The Central Bank and due from banks	278,304	279,969	290,628
Financial assets at fair value through profit or loss	22,475	34,842	27,319
Other assets	49,687	43,623	44,351
Investment securities	660,811	677,158	646,988
Loans and advances to customers	2,299,523	2,313,278	2,313,360
Property and equipment	26,794	26,587	26,703
Goodwill	187,747	187,747	187,747
Total assets	3,525,341	3,563,204	3,537,096
Liabilities			
Customer deposits	2,683,346	2,735,079	2,712,978
Financial liabilities at fair value through profit or loss	22,475	34,842	27,319
Other liabilities	40,914	45,949	38,574
Total liabilities	2,746,735	2,815,870	2,778,871
Equity			
Share capital and reserves	456,499	453,970	449,410
Retained earnings	322,107	293,364	308,815
Total equity	778,606	747,334	758,225
Total liabilities and equity	3,525,341	3,563,204	3,537,096

Director

Director

Condensed Consolidated Statement of Changes in Equity
BS'000

	Share Capital & Reserves		Retained Earnings	Total
	Reserves	Retained Earnings		
Balance at October 31, 2010	442,483	288,371		730,854
Total comprehensive income for the period	7,931	26,580	34,511	
Dividends	-	(18,031)	(18,031)	
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	3,130	(3,130)	-	
Transfer to Statutory Loan Reserve	426	(426)	-	
Balance at April 30, 2011	453,970	293,364		747,334
Balance at October 31, 2011	449,410	308,815		758,225
Total comprehensive income for the period	5,598	30,411	36,009	
Dividends	-	(15,628)	(15,628)	
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	2,195	(2,195)	-	
Transfer from Statutory Loan Reserve	(704)	704	-	
Balance at April 30, 2012	456,499	322,107		778,606

Condensed Consolidated Statement of Income
BS'000

	Unaudited Three Months Ended		Unaudited Six Months Ended		Audited Year Ended
	April 30, 2012	April 30, 2011	April 30, 2012	April 30, 2011	October 31, 2011
Total interest income	40,582	47,013	86,169	94,956	183,493
Total interest expense	(6,913)	(11,943)	(14,765)	(26,336)	(45,663)
Net interest income	33,669	35,070	71,404	68,620	137,830
Operating income	6,605	10,019	15,077	17,398	35,488
	40,274	45,089	86,481	86,018	173,318
Operating expenses	20,278	21,273	39,726	40,661	83,208
Loan loss impairment	8,004	11,533	16,344	18,777	32,223
	28,282	32,806	56,070	59,438	115,431
Net income for the period	11,992	12,283	30,411	26,580	57,887

	120,216,204	120,216,204	120,216,204	120,216,204	120,216,204
Weighted average number of common shares outstanding for the period					
Earnings per share (in cents)	10.0	10.2	25.3	22.1	48.2

Condensed Consolidated Statement of Comprehensive Income
BS'000

	Unaudited Three Months Ended		Unaudited Six Months Ended		Audited Year Ended
	April 30, 2012	April 30, 2011	April 30, 2012	April 30, 2011	October 31, 2011
Net income for the period	11,992	12,283	30,411	26,580	57,887
Other comprehensive income					
Net gains on available-for-sale investment securities	4,911	441	5,598	7,931	3,145
Total comprehensive income for the period	16,903	12,724	36,009	34,511	61,032

Condensed Consolidated Statement of Cash Flows
BS'000

	Unaudited Six Months Ended April 30, 2012	Unaudited Six Months Ended April 30, 2011	Audited Year Ended October 31, 2011
	Net cash from operating activities	27,639	81,057
Net cash from/(used in) investing activities	1,826	(2,617)	64,132
Net cash (used in)/from financing activities	(15,628)	6,393	(33,661)
Net increase in cash and cash equivalents	13,837	84,833	92,309
Cash and cash equivalents, beginning of period	161,164	68,855	68,855
Cash and cash equivalents, end of period	175,001	153,688	161,164

Notes to the Condensed Consolidated Financial Statements
April 30, 2012

Summary of significant accounting policies
Basis of presentation

The accompanying 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, 2011, included in the Bank's Annual Report 2011. 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 Insurance Agency (Bahamas) Limited (formerly FirstCaribbean International Finance Corporation (Bahamas) Limited)
- FirstCaribbean International (Bahamas) Nominees Company Limited
- FirstCaribbean International Land Holdings (TCL) Limited

Transactions affecting year on year comparisons

Dividends

During the period, the final dividends for the fiscal year ended October 31, 2011, in the amount of \$0.13 per share were paid, as approved by the Board of Directors on December 13, 2011.

Condensed Consolidated Segment Information
BS'000

	Unaudited Six months ended April 30, 2012					Unaudited Six months ended April 30, 2011				
	RB	CLIB	WM	Admin	Total	RB	CLIB	WM	Admin	Total
External revenues	44,338	26,876	3,297	11,969	86,480	42,807	27,961	2,483	12,767	86,018
Revenues from other segments	(7,148)	9,955	8,890	(11,697)	-	(7,053)	10,523	7,589	(11,059)	-
Total revenues	37,190	36,831	12,187	272	86,480	35,754	38,484	10,072	1,708	86,018
Net income/(loss) for the period	18,401	24,792	8,631	(21,413)	30,411	20,487	18,178	8,226	(20,311)	26,580
Segment assets	1,246,954	935,476	949,787	205,377	3,337,594	1,360,640	846,041	907,244	261,532	3,375,457
Unallocated assets					187,747					187,747
Total assets					3,525,341					3,563,204
Segment liabilities	769,962	867,650	953,168	155,955	2,746,735	834,064	817,295	908,593	255,918	2,815,870
Unallocated liabilities					-					-
Total liabilities					2,746,735					2,815,870

	Audited Year ended October 31, 2011				
	RB	CLIB	WM	Admin	Total
External revenues	86,730	52,949	5,030	28,609	173,318
Revenues from other segments	(14,362)	23,716	16,408	(25,762)	-
Total revenues	72,368	76,665	21,438	2,847	173,318
Net income for the year	15,105	10,376	10,573	21,833	57,887
Segment assets	1,165,425	1,085,692	117,011	981,221	3,349,349
Unallocated assets					187,747
Total assets					3,537,096
Segment liabilities	753,623	846,511	929,446	249,291	2,778,871
Unallocated liabilities					-
Total liabilities					2,778,871

Notes:

The Bank implemented a new organisational structure with effect from January 1, 2012, which introduced a new business segment, Wealth Management ("WM"). The Bank's operations are now organised into three business segments, Retail Banking ("RB"), Corporate Lending and Investment Banking ("CLIB") and Wealth Management ("WM"), which are supported by the functional units within the Administration ("Admin") segment (which includes Treasury, Finance, HR, Technology & Operations, Risk and Other). The Administration segment results include the earnings on economic capital and capital charges for Treasury and the offset of the same for RB, CLIB and WM. Please refer to note 26 of the Bank's Annual Report 2011 for further details.

Concurrently, the assumptions underpinning the segment allocation methodologies were updated, resulting in changes to segment performance. Prior period disclosures were amended to conform to this current presentation basis.