



FirstCaribbean International Bank (Bahamas) Limited
Chairman's Review
Of the Results
For the year ended October 31, 2011

Consolidated net income for the year ended October 31, 2011 was \$57.9 million, compared to \$61.9 million in 2010. These results should be considered in the context of a set of very difficult local and global economic conditions.

Excluding security gains, total revenues were \$5.1 million up year on year primarily due to an increase in net interest income. Operating income, excluding the securities gains, was slightly higher due to higher income from cards and deposit services partially offset by lower credit related fee income. Operating expenses were \$6.1 million higher against the prior year, primarily due to business license fees, employee related costs and professional fees.

The total assets of the Bank are \$3.5 billion, and it remains well capitalised, with capital ratios in excess of regulatory requirements, which continues to place the Bank in a sound position to take advantage of future opportunities.

At its meeting on December 13, 2011, the Board of Directors declared a final dividend of thirteen cents (\$0.13) per share payable on January 25, 2012 to shareholders of record at the close of business on January 13, 2012. Previously, an interim dividend of thirteen cents (\$0.13) per share was paid, bringing the total dividend to twenty-six cents (\$0.26) per share for 2011.

I wish to thank our customers, our employees and the Board for their continued support.

Michael K. Mansoor
Chairman

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

	Unaudited October 31, 2011	Audited October 31, 2010
Assets		
Cash and due from banks	290,628	238,119
Securities	674,307	687,462
Loans and advances to customers	2,327,794	2,418,836
Goodwill	187,747	187,747
Property and equipment	26,703	25,346
Other assets	29,917	41,486
Total assets	3,537,096	3,598,996
Liabilities		
Total deposits	2,712,978	2,767,359
Other borrowed funds	21,317	75,976
Other liabilities	44,576	24,807
Total liabilities	2,778,871	2,868,142
Equity		
Share capital and reserves	449,410	442,483
Retained earnings	308,815	288,371
	758,225	730,854
Total liabilities and equity	3,537,096	3,598,996

Director

Director

Condensed Consolidated Statement of Changes in Equity
BS'000

	Share Capital & Reserves	Retained Earnings	Total
Balance at October 31, 2009	442,059	265,122	707,181
Total comprehensive income for the period	(924)	61,863	60,939
Dividends	-	(37,266)	(37,266)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	4,703	(4,703)	-
Transfer from Statutory Loan Reserve	(3,355)	3,355	-
Balance at October 31, 2010	442,483	288,371	730,854
Balance at October 31, 2010	442,483	288,371	730,854
Total comprehensive income for the period	3,145	57,887	61,032
Dividends	-	(33,661)	(33,661)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	3,128	(3,128)	-
Transfer to Statutory Loan Reserve	654	(654)	-
Balance at October 31, 2011	449,410	308,815	758,225

Condensed Consolidated Statement of Income
BS'000

	Unaudited Three Months Ended		Unaudited Year Ended	Audited Year Ended
	October 31, 2011	October 31, 2010	October 31, 2011	October 31, 2010
Total interest income	44,453	52,843	183,493	196,854
Total interest expense	(8,915)	(15,699)	(45,663)	(63,955)
Net interest income	35,538	37,144	137,830	132,899
Operating income	7,420	7,199	35,488	40,126
	42,958	44,343	173,318	173,025
Operating expenses	20,683	23,154	83,208	77,094
Loan loss expense	3,836	9,834	32,223	34,068
	24,519	32,988	115,431	111,162
Net income for the period	18,439	11,355	57,887	61,863

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)	15.3	9.4	48.2	51.5

Condensed Consolidated Statement of Comprehensive Income
BS'000

	Unaudited Three Months Ended		Unaudited Year Ended	Audited Year Ended
	October 31, 2011	October 31, 2010	October 31, 2011	October 31, 2010
Net income for the period	18,439	11,355	57,887	61,863
Other comprehensive income				
Net gains/(losses) on available-for-sale investment securities	(6,212)	4,227	3,145	(924)
Total comprehensive income for the period	12,227	15,582	61,032	60,939

Condensed Consolidated Statement of Cash Flows
BS'000

	Unaudited Year Ended October 31, 2011	Audited Year Ended October 31, 2010
Net cash from/(used in) operating activities	61,838	(29,106)
Net cash from/(used in) investing activities	64,132	(80,199)
Net cash used in financing activities	(33,661)	(37,266)
Net increase/(decrease) in cash and cash equivalents	92,309	(146,571)
Cash and cash equivalents, beginning of period	68,855	215,426
Cash and cash equivalents, end of period	161,164	68,855

Notes to the Condensed Consolidated Financial Statements
October 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, 2011, included in the Bank's Annual Report 2011 to be issued on or before 28 February 2012. 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.

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 (TCI) Limited

Transactions affecting year on year comparisons

Dividends

At the Board of Directors meeting held on December 13, 2011, a final dividend of \$0.13 per share was declared, amounting to \$15.6 million in respect of the 2011 net income. The consolidated financial statements for the year ended October 31, 2011 do not reflect this resolution, which will be accounted for in equity as a distribution of retained earnings in the year ending October 31, 2012.