

FIRST CARIBBEAN INTERNATIONAL BANK LIMITED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended January 31, 2016 (expressed in thousands of United States dollars)



FirstCaribbean
International Bank

CHIEF EXECUTIVE OFFICER'S REVIEW

For the three months ended January 31, 2016, the Bank recorded net income of \$28.7 million, a significant improvement in performance when compared with net income of \$16.6 million for the corresponding period last year.

Total revenue was \$128.2 million, up \$8.5 million or 6% compared with the same period last year primarily due to higher funding costs, higher loan earnings and higher operating income. Productive loan growth has started to show some encouraging signs despite economies being slow to recover and sustained credit demand not yet returning to the region. Sustained, profitable growth remains a key priority for the Bank.

Operating expenses of \$90.4 million were up by \$5.3 million compared with the same period in the prior year primarily as a result of higher business taxes and project related spend. We continue to benefit from discretionary expense control and ongoing savings from the restructuring program initiated in 2014.

Loan loss impairment expense was significantly down by \$11.6 million or 74% compared with the same period in the prior year due to an improving loss experience and loan recovery activity. Additionally, non-productive loan balances continue to decline as significant focus is placed on further strengthening the quality of our loan portfolio.

After paying a regular dividend of 2.0 cents (\$0.02) per share along with a special dividend of 1.1 cents (\$0.03) per share in the last quarter, the Bank's Tier 1 and Total Capital ratios remain strong at 15.2% and 18.5%, well in excess of applicable regulatory requirements.

The Bank ceased banking operations in Belize effective January 31, 2016 following the decision to exit the market which was announced in 2015. We wish to thank Belize customers and staff for their service and patronage over the years.

The Bank's newest, ultra modern Finance Centre at Rendezvous, Barbados opened its doors at the end of the first quarter to cater to platinum, business banking and retail customers. The investment further signifies the Bank's ongoing commitment to growing its franchise and offering customers a best-in-class service and experience.

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

Gary Brown
Chief Executive Officer
March 11, 2016

FORWARD LOOKING STATEMENT DISCLOSURE

This report may contain forward-looking statements, including statements about our financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements are based on management's current expectations of future events and, by their nature, are subject to assumptions, risks and uncertainties. Although management believes that the expectations and forecasts reflected in these forward-looking statements are reasonable, actual results could differ materially from those contained in or implied by such forward-looking statements due to a variety of factors, including: (1) changes in interest rates; (2) changes in local, regional or fiscal policy; (3) changes in general economic conditions; or (4) the condition of the local economies in which we have significant operations or assets, which could, among other things, materially impact credit quality trends and our ability to generate loans; (5) increased competitive pressure among financial services companies; (6) the ability to successfully execute strategic initiatives designed to grow revenues and manage expenses; (7) discontinuation of significant business combinations or divestitures; (8) operational or risk management failures due to technology or other factors; (9) changes in regulatory practices, requirements or requirements; (10) new legal obligations or restrictions on our operations; (11) changes in capital market conditions; (12) changes in the currency and interest rates; (13) changes in the result of account activities or other actions; and (14) changes in accounting or tax practices or regulations. Forward-looking statements are not guarantees of future performance and should not be relied upon as representing management's views as of any subsequent date. We do not assume any obligation to update these forward-looking statements. For further information regarding FirstCaribbean International Bank Limited, please visit FirstCaribbean International Bank Limited's financial and other reports that are available on the company's website at www.cibcib.com.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited January 31, 2016	Unaudited January 31, 2015	Audited October 31, 2015
Assets			
Cash, loans receivable with Central Banks and due from banks	2,031,473	2,162,067	1,501,781
Loans and advances to customers	6,011,541	5,526,235	6,079,521
Investment securities	2,305,780	2,349,877	2,331,637
Property and equipment	140,404	121,658	129,701
Other assets	202,304	126,313	154,160
Intangible assets	216,961	218,561	218,561
	10,911,165	11,008,016	10,540,691
Assets of a disposal group classified as held for sale	135,226	-	142,717
Total assets	11,046,691	11,008,016	10,683,408
Liabilities			
Customer deposits and other borrowed funds	9,216,921	9,371,205	2,666,740
Other liabilities	221,049	228,095	417,194
Bank securities in issue	207,207	123,515	208,980
	9,645,177	9,722,815	3,292,914
Liabilities of a disposal group classified as held for sale	120,323	-	123,616
Total liabilities	9,765,500	9,722,815	3,416,530
Equity attributable to equity holders of the parent			
Issued capital and reserves	915,186	802,254	919,478
Retained earnings	339,647	306,966	494,523
	1,254,833	1,109,220	1,414,001
Non-controlling interests	25,958	13,592	25,598
Total equity	1,280,791	1,122,812	1,439,599
Total liabilities and equity	11,046,691	11,008,016	10,683,408

* Our Belize operations were sold to CIBC on an exchange rate of US\$1 = 0.0627

Gary Brown
Chief Executive Officer

Sir Allan Pickles
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent				Total Equity
	Issued Capital	Reserves	Retained Earnings	Non-controlling Interests	
Balance at October 31, 2014	1,103,149	(275,904)	367,024	22,737	1,217,006
Comprehensive income for the period	-	(15,657)	25,973	523	10,839
Transfer to reserves	-	666	(666)	-	-
Equity dividends	-	-	(23,252)	-	(23,252)
Dividends of subsidiaries	-	-	-	(748)	(748)
Balance at January 31, 2015	1,103,149	(280,695)	298,964	23,172	1,124,590
Balance at October 31, 2015	1,193,149	(273,471)	454,625	25,958	1,380,261
Comprehensive income for the period	-	(5,260)	37,777	823	32,340
Transfer to reserves	-	3,663	(3,663)	-	-
Equity dividends	-	-	(129,167)	-	(129,167)
Dividends of subsidiaries	-	-	-	663	663
Balance at January 31, 2016	1,193,149	(277,963)	299,667	25,958	1,240,711

Note: Results have been converted to US\$ using an exchange rate of US\$1 = 0.0627

CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Three months ended January 31, 2016	Unaudited Three months ended January 31, 2015	Audited Year ended October 31, 2015
Interest and similar income	108,232	108,717	435,810
Interest and similar expense	(15,283)	(20,674)	(73,111)
Net interest income	92,959	88,043	362,699
Operating income	45,220	41,842	150,674
	138,179	129,885	322,373
Operating expenses	(90,427)	(85,162)	(370,111)
Loan loss impairment	(4,141)	(15,740)	(41,507)
	94,563	100,923	411,611
Income before provision income tax expense	43,616	(8,983)	110,755
	4,027	2,364	12,823
Net income for the period	30,689	26,619	97,932
Attributable to:			
Equity holders of the parent	37,777	25,973	94,703
Non-controlling interests	912	646	1,229
	38,689	26,619	97,932
Basic and diluted earnings per share attributable to the equity holders of the parent for the period (expressed in cents per share)	2.4	1.6	6.0

Note: Results have been converted to US\$ using an exchange rate of US\$1 = 0.0627

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Three months ended January 31, 2016	Unaudited Three months ended January 31, 2015	Audited Year ended October 31, 2015
Net income for the period	30,689	26,619	97,932
Other comprehensive loss (net of tax) to be reclassified to net income or loss in subsequent periods			
Net income on available-for-sale investments	(6,281)	(12,327)	(9,553)
Exchange losses on translation of foreign operations	(2,168)	(1,452)	(2,349)
	(8,449)	(13,779)	(11,902)
Other comprehensive loss (net of tax) not to be reclassified to net income or loss in subsequent periods:			
Re-measurement gains of retirement benefit obligations	-	-	10,662
Other comprehensive loss for the period, net of tax	(8,449)	(13,779)	(11,240)
Comprehensive income for the period, net of tax	30,240	10,810	91,152
Comprehensive income for the period attributable to:			
Equity holders of the parent	25,417	10,316	87,355
Non-controlling interests	4,824	323	4,097
	30,240	10,810	91,152

Note: Results have been converted to US\$ using an exchange rate of US\$1 = 0.0627

