

Schedule 3
FORM ECSRC - Q

(Select One)

Quarterly Report
For the period ended September 30, 2013

or

TRANSITION REPORT _____
(Applicable where there is a change in reporting issuer's financial year)

For the transition period from _____ to _____

Issuer Registration Number: ECFH 28062001SL

East Caribbean Financial Holding Company Limited
(Exact name of reporting issuer as specified in its charter)

Saint Lucia
(Territory or jurisdiction of incorporation)

No. 1 Bridge Street, Castries St. Lucia
(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): 758-456-6000

Fax number: 758-456-6702

Email address: ecfh@candw.lc

N/A

(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report.

CLASS	NUMBER
Preference Shares	830,000
Ordinary Shares	24, 465,589


SIGNATURES

Name of Chief Executive Officer:

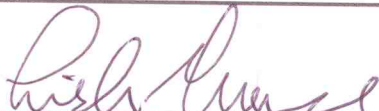
Name of Director:

Esther Browne -Weekes

Lisle Chase



Signature



Signature

01st November 2013

Date

November 1, 2013

Date

INFORMATION TO BE INCLUDED IN THE REPORT

1. Financial Statements

Provide quarterly Financial Statements in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

- (a) (Condensed Balance Sheet as of the end of the most recent financial year and just concluded quarter.
- (b) Condensed Statement of Income for the interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
- (c) Condensed Statement of Cash Flows for the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
- (d) Examples of financial data items to be included in constructing financial statements for various types of businesses are provided in Parts A-D. These items are meant to serve as guidelines only.
- (e) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Discuss reporting issuer's financial condition, changes in financial condition and results of operations during the reporting period. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim quarterly report. The broad areas of discussions should centre around liquidity, capital resources and results of operations. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

(a) Liquidity

Identify any known trends or commitments, demands, events that will result in or that are reasonably likely to result in the reporting issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course

of action that the reporting issuer has taken or proposes to take to remedy the deficiency.

The Group's liquidity levels remained strong throughout the year and have been trending upwards from the end of the previous financial year (2012); a sign of continue customer confidence. The offshore banking subsidiary was the major contributor to the influx through deposit intake while all other subsidiaries maintained slightly higher levels than the previous financial year end. There are no known events which are expected to materially impact liquidity.

(b) **Capital Resources**

Describe the reporting issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments. Describe any material trends, favourable or unfavourable in the reporting issuer's capital resources and any expected change in mix. The discussion should consider changes between equity, debt and any off-balance sheet financing arrangements.

Whilst the Group continues to seek lending opportunities there are no material undrawn commitment on loans and advances. There are no capital commitments which are expected to have a material impact on the Group

The Group is increasing its vigilance on ensuring adherence to lending policies and statutory lending guidelines and is currently reviewing sectorial exposures with a view to managing concentration levels.

The Group is also actively pursuing the recovery of loans and investments already provided for through the appointment of receivers where appropriate and is taking all possible actions to minimise delinquency levels in the remainder of the loan portfolio.

(c) **Results of Operation.**

Describe any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and in each case indicate the extent the income was so affected. Describe any known trends or uncertainties that have had or that the reporting issuer reasonably expects will have a material favourable or unfavourable impact on net sales or revenues or income from continuing operations. If the reporting issuer knows of events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), the changes in relationship should be disclosed.

The ECFH Group reported profit after tax of \$20M at the end of the third quarter which is an encouraging result from the previous year's performance. The Group is focused on recovery following the substantial loan loss provisions by its largest subsidiary-Bank of St. Lucia in 2012. Subsequent to the extensive provisioning exercise the loan portfolio is closely monitored to ensure that an adequate level of provisioning remains in place.

3. Disclosure of Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements and only include factors that are unique to the company. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

The ECFH Group continued to face challenges during the third quarter of 2013 on both the international and domestic landscapes.

The significant risks to which the Group is exposed include credit risk, liquidity risk, market risk, operational risk, foreign exchange risk, and reputation risk. The Group ensures that risk mitigation in any one area does not inadvertently increase exposure in other areas.

Credit Risk

Credit risk is determined to be the largest single risk faced by the ECFH Group. At September 30, 2013, credit activity (loans and investments) amounted to approximately 89% of total assets.

During the period under review, the Group continued to monitor the quality of loans being approved, conducting credit risk reviews on all lending over a stipulated dollar value and analysis on loans approved to ensure general compliance with approved credit risk management guidelines. Reviews of the quality and performance of the credit portfolio are undertaken on a regular basis to identify trends and concentrations and take corrective action as necessary. New guidelines for provisioning were approved by the Board and were implemented. The Recoveries Committee continuously monitors and reviews delinquency levels.

The ratio of non-productive loans to total loans increased significantly at September 30, 2013 when compared to the position as at the end of the same month of the previous month. Significant efforts have been made to reduce the non-productive portfolio including work-outs, write-off, sale of selective non-performing loans and receiverships. While the ECFH Group continues to work with its client through these difficult times, the

slow pace of economic recovery may make it difficult to contain the growth in the non-productive portfolio in the next 12 months.

Market Risk

The Group is stepping up its efforts to manage market risks. To improve its management of market risk, the ECFH Risk Management and Compliance Services is using a financial risk simulation model to assess market and liquidity risk and to provide stress testing scenarios. Currently, the model focuses only on Bank of Saint Lucia Limited but it is the intention to expand the financial risk simulation model to include other subsidiaries of the ECFH Group.

Additionally, the portfolio of investments is continually monitored for changes in value of instruments and circumstances of institutions with which the Group conducts business. Investments are subject to market valuations where appropriate and instruments are marked to market in keeping with IFRS

Foreign Exchange Risk

Growth in the offshore banking area has resulted in an increase in the number of foreign currencies being managed which means increased exposure to foreign exchange risk. Foreign exchange exposure is monitored on a regular basis by the respective business units as well as the Asset Liability Committee. There were no instances of unmanaged significant exposure during the period under review.

Operational Risk

The Risk Management and Compliance Services have begun the process of developing and documenting a risk register for the ECFH Group. This exercise will make enterprise risk management more structured and effective throughout the ECFH group.

The Group complies with all Anti Money Laundering acts and other related laws in all jurisdictions that the Group has a business presence. Plans are well advanced to stage an AML month to increase the level of awareness of the laws and challenges faced regarding AML

Liquidity Risk

The Group's liquidity risk is monitored on a regular basis by the Internal Liquidity Committee and the Group Asset/Liability Committee. The Internal Liquidity Committee meets on a more frequent basis than the ALCO to monitor and better manage the Group's liquidity.

Careful liquidity management ensures that the regulatory reserve requirement is always met by the domestic bank and that Capital Adequacy Ratios remain above minimum levels. The Liquidity policy and associated liquidity contingency plans are in place.

Reputation Risk

Reputation risk is the risk that negative publicity regarding the Group's business practices will lead to a loss of revenue or litigation. The Group's reputation; particularly the trust afforded it by customers and counterparties can be irrevocably tarnished due to perceived or real breaches in its ability to conduct business securely and responsibly. In addition, the ECFH Group is responsible for risks associated with the activities of third-party service providers with which they contract.

All risks impact on reputation; therefore, maintaining reputation involves appropriately identifying, analyzing and managing risks that can adversely impact the Group's business. The Group continued to meet its corporate social responsibility encompassing involvement in local communities, employment practices, impact on the environment and sustainable economic and social development, while maintaining strong relationships with business partners.

4. Legal Proceedings.

A legal proceeding need only be reported in the ECSRC - Q filed for the quarter in which it first became a reportable event and in subsequent quarterly reports in which there have been material developments. Subsequent Form ECSRC - Q filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

There were no legal proceedings during the quarter.

5. Changes in Securities and Use of Proceeds.

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.
- (b) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:
 - Offer opening date (provide explanation if different from date disclosed in the registration statement)
 - Offer closing date (provide explanation if different from date disclosed in the registration statement)

- Name and address of underwriter(s)
- Amount of expenses incurred in connection with the offer
- Net proceeds of the issue and a schedule of its use
- Payments to associated persons and the purpose for such payments

There were no changes in Securities and Use of Proceeds using the quarter.

- (b) Report any working capital restrictions and other limitations upon the payment of dividends.

There were no working capital restrictions and other limitations upon the payment of dividends during the quarter.

6. Defaults Upon Senior Securities.

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 percent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.
- (b) If any material arrears in the payment of dividends has occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

There were no defaults upon Senior Securities.

7. Submission of Matters to a Vote of Security Holders.

If any matter was submitted during the period covered by this report to a vote of security holders, through the solicitation of proxies or otherwise, furnishes the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.
- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.
- (c) A brief description of each other matter voted upon at the meeting and state the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.
- (d) A description of the terms of any settlement between the registrant and any other participant.
- (e) Relevant details of any matter where decision was taken otherwise than at a meeting of such security holders.

There were no matters to a Vote of Security Holders through the solicitation of proxies submitted during the quarter.

8. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC - MC report (related to disclosure of material information), with respect to which information is not otherwise called for by this form. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC - MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC - Q report.

Part A

Relevant Financial Data Items for Commercial and Industrial Companies

Item Descriptions

- Cash and Cash Items
- Marketable securities
- Notes and Accounts Receivables-Trade
- Allowances for doubtful accounts
- Inventory
- Total Current Assets
- Intangible Assets
- Property Plant and Equipment
- Accumulated Depreciation
- Other Assets (explain)
- Total Assets
- Accounts Payable
- Total Current Liabilities
- Other Liabilities (explain)
- Bonds, mortgages and similar debt
- Preferred stock-mandatory redemption
- common stock
- other stockholder's equity
- Total liabilities and stockholder's equity
- net sales of tangible products
- total revenues
- cost of tangible goods sold
- total costs and expenses applicable to sales and revenues
- other costs and expenses
- provision for doubtful accounts and notes
- Interest and amortisation of debt discount
- Income before taxes and other items
- income tax expense
- income/loss continuing operations
- Discontinued operations
- extraordinary items
- Cumulative effect-changes in accounting principles
- net income or loss
- earnings per share -primary
- earnings per share - fully diluted

Part B

Relevant Financial Data Items for Bank Holding Companies and Banks

Item Descriptions

- Cash and due from banks
- interest bearing deposits
- Borrowings from the ECCB, Inter-bank Market activity and other bank borrowings
- trading account assets
- investment and mortgage backed securities held for sale
- Investments: to provide schedule of type, rates, maturity and place – (whether domestic/regional or foreign)
- loans
- allowances for losses
- Fixed Assets
- total assets
- other liabilities
- Total deposits
- short-term borrowings
- long-term debt
- preferred stock-mandatory redemption
- preferred stock-no mandatory redemption
- common stocks
- other stockholder's equity
- total liabilities and stockholder's equity
- contingent accounts
- interest and fees on loans
- interest and dividends on investments
- other interest income
- total interest income
- interest expense on deposits
- total interest expense
- net interest income
- provision for loan losses
- investment securities gains/losses
- other expenses
- income/loss before income tax
- income/loss before extraordinary items
- extraordinary items
- cumulative changes in accounting principles
- net income or loss
- earnings per share-primary
- earnings per share- fully diluted

Part C

Relevant Financial Items for Broker-Dealers Holding Companies

Items Description

- Cash and cash items
- receivables from brokers and dealers, customers and others
- securities purchased under resale agreements
- financial instruments owned
- fixed assets
- total assets
- short term borrowings including commercial paper
- payable to customers, brokers/dealers (including clearing brokers) and others
- securities sold under agreements to repurchase
- long-term debt
- preferred stock-mandatory redemption
- preferred stock - no mandatory redemption
- common stock
- other stockholder's equity
- total liabilities and stockholder's equity
- revenue from trading activities
- interest and dividends
- commissions
- interest expense
- other sources of revenue
- compensation and employee related expense
- income/loss before income tax
- income/loss before extraordinary items
- extraordinary items, less tax
- cumulative change in accounting principles
- net income or loss
- earnings per share- primary
- earnings per share - fully diluted

Part D

Relevant Financial Data Items for Public Utility and Utility Holding Companies

Item Descriptions

- total net utility plant
- other property and investments
- total current assets
- total deferred charges
- balancing amount for total assets
- total assets
- common stock
- capital surplus, paid in,
- retained earnings
- total common stockholders equity
- preferred stock subject to mandatory redemption
- preferred stock not subject to mandatory redemption
- long term debt, net
- short term notes
- notes payable
- commercial paper
- long term debt-- current portion
- preferred stock-- current portion
- obligation under capital leases
- obligation under capital leases--current portion
- balancing amount for capitalisation and liabilities
- total capitalisation and liabilities
- gross operating revenue
- other operating expense
- total operating expense
- operating income (loss)
- other income (loss), net
- income before interest charges
- total interest charges
- net income
- preferred stock dividends
- earnings available for common stock
- common stock dividends
- total annual interest charges on all bonds
- cash flow from operations
- earnings per share –primary
- earnings per share -fully diluted

East Caribbean Financial Holding Company Limited

Interim Consolidated Balance Sheet

As at June 30, 2013

(expressed in thousands of Eastern Caribbean dollars)

	(Unaudited) June 30 2013 \$'000	(Audited) December 31 2012 \$'000	(Unaudited) June 30 2012 \$'000	12mths Change %
Assets				
Cash and balances with Central Bank	233,937	196,889	137,272	70%
Due from other banks	821,672	442,852	636,865	29%
Trading financial assets	25,595	28,129	18,016	42%
Deposits with non-bank financial institutions	4,467	1,340	4,787	-7%
Treasury bills	0	4,633	4,515	-100%
Originated loans - Loans & Advances to customers	1,816,282	1,815,002	1,886,292	-4%
- Bonds	10,031	10,033	12,596	-20%
Investments securities - held to maturity	61,031	69,564	95,935	-36%
- available-for-sale	451,960	430,681	407,047	11%
Pledged assets	41,710	51,893	78,880	-47%
Due from reinsurers	4,647	5,737	4,403	6%
Due from insurance agents, brokers and policyholders	3,774	2,241	1,620	133%
Investment in associated undertaking	8,031	8,031	12,101	-34%
Property plant and equipment & intangibles	159,228	160,412	168,888	-6%
Investment Properties	15,302	15,302	14,912	3%
Other assets	48,748	49,201	38,106	28%
Income tax recoverable	4,415	5,119	4,239	0%
Deferred tax asset	6,870	6,870	7,611	0%
Retirement Benefit Asset	3,482	3,483	3,865	-10%
Total assets	3,721,182	3,307,412	3,537,950	5%
Liabilities				
Deposits from banks	105,876	102,213	64,848	63%
Due to customers	2,814,423	2,454,645	2,613,059	8%
Other funding instruments	286,125	270,642	257,101	11%
Borrowings	191,106	150,621	154,756	23%
Preference shares	4,150	4,150	4,150	0%
Due to reinsurers	2,447	1,165	2,960	-17%
Insurance Claims and Deferred Revenue	8,023	9,943	8,019	0%
Other liabilities	41,476	38,561	30,274	37%
Dividends Payable	569	569	282	0%
Total Liabilities	3,454,195	3,032,509	3,135,449	10%
Shareholders' equity				
Share capital	170,081	170,081	170,081	0%
Contributed capital	4,118	3,118	3,118	32%
Unrealized profit / (loss) on investments	(8,574)	12,726	1,175	-830%
Revaluation reserve	13,855	13,855	13,855	0%
Reserves	148,240	148,240	148,012	0%
Retained earnings	(119,785)	(119,785)	7,958	-1605%
Profit for the period after taxes	10,769	0	10,808	0%
Parent shareholders' equity	218,704	228,235	355,007	-38%
Minority Interest	48,283	46,668	47,494	2%
Total equity and liabilities	3,721,182	3,307,412	3,537,950	5%

East Caribbean Financial Holding Company Limited
Interim Consolidated Statement of Income
For the six month period ended June 30, 2013

(expressed in thousands of Eastern Caribbean dollars)

	(Unaudited) 6 mths to June 30, 2013 \$'000	(Audited) 12 mths to December 31, 2012 \$'000	(Unaudited) 6 mths to June 30, 2012 \$'000	12mths Change %
Interest income	84,592	175,301	86,168	-2%
Interest expense	42,126	82,173	40,297	5%
Net interest income	42,466	93,128	45,871	-7%
Other income	34,181	50,489	25,607	33%
Operating income	76,647	143,617	71,478	7%
Impairment Loss - Loans, investments and property	9,623	161,962	6,015	60%
Other operating expenses	53,589	101,564	50,514	6%
Profit for the period before taxation and dividends	13,435	(119,909)	14,949	-10%
Dividends on preference Shares	0	291	0	0%
Provision for tax	1,038	2,303	2,144	-52%
Profit for the period	12,397	(122,503)	12,805	-3%
Attributable to:				
- Equity holders	10,769	(125,003)	10,808	
- Minority interest	1,628	2,500	1,997	
Profit for the period	12,397	(122,503)	12,805	
Earnings per share				
- basic	\$0.43	(\$5.11)	\$0.44	
- diluted	\$0.42	(\$4.94)	\$0.42	

East Caribbean Financial Holding Company Limited
Interim Consolidated Statement of Cash Flows
For the six month period ended June 30, 2013

(expressed in thousands of Eastern Caribbean Dollars)

	(Unaudited) 6 mths to June 30, 2013 \$'000	(Audited) 12 mths to December 31, 2012 \$'000	(Unaudited) 6 mths to June 30, 2012 \$'000
Operating Activities			
- Profit before income tax	13,435	(119,909)	14,949
- Adjustments for items not affecting cash, changes in non-cash working capital components and other items, net	360,347	280,011	276,094
Cash flows from operating activities	373,782	160,102	291,043
Cash flows from investing activities	(3,048)	(16,744)	(8,959)
Cash flows from financing activities	42,703	(48,623)	(41,070)
Net increase /(decrease) in cash and cash equivalents	413,437	94,735	241,014
Cash and cash equivalents at beginning of period	514,953	420,218	427,424
Cash	928,390	514,953	668,438

Cash 0]qa2qA cll

6 months to June 30, 2013	Domestic	Offshore	Consolidation		
	Banking \$000	banking \$000	Other \$000	Adjustments \$000	Group \$000
Profit Before Tax					
Net Interest Income	39,437	5,087	(2,174)	116	42,466
Net fee and commission income	12,100	1,638	1,030	(288)	14,480
Other Income	14,228	2,648	6,850	(4,025)	19,701
Impairment charge loans and investments	(9,623)	-	-	-	(9,623)
Depreciation and amortization	(2,730)	(28)	(994)	(442)	(4,194)
Operating Expenses	(45,877)	(4,357)	(3,358)	4,197	(49,395)
Profit Before Taxation	7,535	4,988	1,354	(442)	13,435
Income Tax	(793)	-	(245)	-	(1,038)
Profit for the period	6,742	4,988	1,109	(442)	12,397
Attributable to:					
Equity holders of the Company					10,770
Non-controlling interests					1,627
Profit for the period					12,397
Total Assets	2,805,806	942,059	388,658	(415,341)	3,721,182
Total Liabilities	2,558,073	913,158	129,549	(146,585)	3,454,195

6 months to June 30, 2012	Domestic	Offshore	Consolidation		
	Banking \$000	Banking \$000	Other \$000	Adjustments \$000	Group \$000
Profit Before Tax					
Net Interest Income	41,879	5,596	(2,212)	608	45,871
Net fee and commission income	14,581	1,300	354	-	16,235
Other Income	6,127	1,040	24,149	(21,944)	9,372
Impairment charge loans, investments and property	(6,015)	-	-	-	(6,015)
Depreciation and amortization	(2,173)	(23)	(970)	(543)	(3,709)
Operating Expenses	(44,063)	(4,461)	(14,365)	16,084	(46,805)
Profit Before Taxation	10,336	3,452	6,956	(5,795)	14,949
Income Tax	(1,607)	-	(537)	-	(2,144)
Profit for the period	8,729	3,452	6,419	(5,795)	12,805
Attributable to:					
Equity holders of the Company					10,808
Non-controlling interests					1,997
Profit for the period					12,805
Total Assets	2,816,132	754,379	448,781	(481,342)	3,537,950
Total Liabilities	2,442,029	728,631	162,861	(198,072)	3,135,449