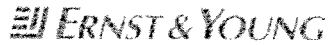


**FIRSTCARIBBEAN INTERNATIONAL BANK LIMITED**  
(expressed in thousands of United States dollars)

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**OCTOBER 31, 2008**

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P.O. Box 202, Bridgetown BB1 1000  
Barbados BB

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246 430 3417

246 430 3020

246 430 4877

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## INDEPENDENT AUDITORS' REPORT

To the Shareholders of FirstCaribbean International Bank Limited

We have audited the consolidated financial statements of FirstCaribbean International Bank Limited ("the Company") for the year ended 31 October 2008 from which the summarized financial statements were derived, in accordance with International Standards on Auditing. In our report dated 27 January 2009, we expressed an unqualified audit opinion on the consolidated financial statements from which the summarized financial statements were derived.

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the consolidated financial statements from which they were derived.

For a better understanding of the Company's financial position and the results of its operations for the period and of the scope of our audit, the summarized financial statements should be read in conjunction with the consolidated financial statements from which the summarized financial statements were derived and our audit report thereon.

CHARTERED ACCOUNTANTS

Barbados  
27 January 2009

**FIRSTCARIBBEAN INTERNATIONAL BANK LIMITED**

**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE YEAR ENDED OCTOBER 31, 2008**  
(expressed in thousands of United States dollars)

	Notes	2008 \$	2007 \$
Interest and similar income		722,971	784,857
Interest and similar expense		264,684	359,876
		<u>          </u>	<u>          </u>
Net interest income	3	458,287	424,981
Operating income	4	92,256	181,048
		<u>          </u>	<u>          </u>
		550,543	606,029
Operating expenses	5	313,592	301,607
Loan loss impairment	14	32,015	17,029
Amortisation of intangible assets	18	2,963	2,960
		<u>          </u>	<u>          </u>
		348,570	321,596
<b>Income before taxation</b>		201,973	284,433
<b>Income tax expense</b>	6	22,220	23,092
		<u>          </u>	<u>          </u>
<b>Net income for the year</b>		179,753	261,341
<b>Attributable to:</b>			
Equity holders of the parent		175,276	255,667
Minority interest		4,477	5,674
		<u>          </u>	<u>          </u>
		179,753	261,341
<b>Earnings per share for net income attributable to the equity holders of the parent during the year:</b> (expressed in cents per share)	7		
- basic		11.5	16.8
- diluted		11.5	16.8

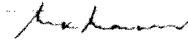
**FIRSTCARIBBEAN INTERNATIONAL BANK LIMITED**


**CONSOLIDATED BALANCE SHEET  
AS OF OCTOBER 31, 2008**

(expressed in thousands of United States dollars)

	Notes	2008 \$	2007 \$
<b>ASSETS</b>			
Cash and balances with Central Banks	8	488,810	495,926
Due from banks	9	496,076	1,022,724
Derivative financial instruments	10	2,144	40,161
Financial assets at fair value through profit or loss	11	536,217	1,123,589
Other assets	12	59,934	82,190
Taxation recoverable		6,184	769
Investment securities	13	2,004,269	2,471,004
Loans and advances to customers	14	6,814,278	6,079,959
Property and equipment	15	127,156	136,002
Deferred tax assets	16	15,768	8,568
Retirement benefit assets	17	44,805	47,307
Intangible assets	18	344,513	347,476
<b>TOTAL ASSETS</b>		<u>10,940,154</u>	<u>11,855,675</u>
<b>LIABILITIES</b>			
Derivative financial instruments	10	55,580	20,305
Customer deposits	19	9,196,049	9,275,685
Other borrowed funds	20	23,735	758,156
Other liabilities	21	66,965	145,910
Taxation payable		14,031	8,349
Deferred tax liabilities	16	1,520	3,898
Debt securities in issue	22	238,532	274,161
Retirement benefit obligations	17	7,947	8,391
<b>TOTAL LIABILITIES</b>		<u>9,604,359</u>	<u>10,494,855</u>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>			
Issued capital	23	1,117,349	1,117,349
Treasury shares	24	(500)	(1,418)
Reserves	25	(371,997)	(300,248)
Retained earnings		565,889	520,310
		<u>1,310,741</u>	<u>1,335,993</u>
<b>MINORITY INTEREST</b>		<u>25,054</u>	<u>24,827</u>
<b>TOTAL EQUITY</b>		<u>1,335,795</u>	<u>1,360,820</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>10,940,154</u>	<u>11,855,675</u>

Approved by the Board of Directors on January 27, 2009

  
\_\_\_\_\_  
Michael Mansoor  
Chairman

  
\_\_\_\_\_  
Don Coulter  
Chief Financial Officer

  
\_\_\_\_\_  
John Orr  
Chief Executive Officer

**FIRST CARIBBEAN INTERNATIONAL BANK LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED OCTOBER 31, 2008**

(expressed in thousands of United States dollars)

	Notes	Attributable to equity holders of the parent				Minority interest	Total equity
		Issued capital \$	Treasury Shares \$	Reserves \$	Retained earnings \$		
<b>Balance at October 31, 2006</b>		1,117,349	(426)	(336,159)	396,166	22,369	1,199,299
Foreign currency translation differences	25	-	-	1,053	(6,829)	(233)	(6,009)
Net change in available-for-sale investment securities	25	-	-	(4,023)	-	(279)	(4,302)
Total income and expense for the year recognised directly in equity		-	-	(2,970)	(6,829)	(512)	(10,311)
Net income for the year		-	-	-	255,667	5,674	261,341
Total income and expense for the year		-	-	(2,970)	248,838	5,162	251,030
Transfer to reserves	25	-	-	34,860	(34,860)	-	-
Net purchase of treasury shares	24	-	(992)	-	-	-	(992)
Share based payment reserves	25	-	-	902	-	-	902
Contributed surplus	25	-	-	3,119	-	-	3,119
Equity dividends		-	-	-	(89,834)	-	(89,834)
Dividends of subsidiaries		-	-	-	-	(2,704)	(2,704)
<b>Balance at October 31, 2007</b>		1,117,349	(1,418)	(300,248)	520,310	24,827	1,360,820
Foreign currency translation differences	25	-	-	483	(6,533)	(206)	(6,256)
Net change in available-for-sale investment securities	25	-	-	(100,543)	-	(1,455)	(101,998)
Total income and expense for the year recognised directly in equity		-	-	(100,060)	(6,533)	(1,661)	(108,254)
Net income for the year		-	-	-	175,276	4,477	179,753
Total income and expense for the year		-	-	(100,060)	168,743	2,816	71,499
Transfer to reserves	25	-	-	29,573	(29,573)	-	-
Net disposal of treasury shares	24	-	918	-	-	-	918
Share based payment reserves	25	-	-	(1,262)	-	-	(1,262)
Equity dividends		-	-	-	(93,591)	-	(93,591)
Dividends of subsidiaries		-	-	-	-	(2,589)	(2,589)
<b>Balance at October 31, 2008</b>		1,117,349	(500)	(371,997)	565,889	25,054	1,335,795

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED OCTOBER 31, 2008**  
(expressed in thousands of United States dollars)

	2008	2007
	\$	\$
<b>Cash flows from operating activities</b>		
Income before taxation and minority interest	201,973	284,433
Provision for loan loss impairment	32,015	17,029
Depreciation of property and equipment	24,947	28,572
Amortisation of intangible assets	2,963	2,960
Net gains on sale of property and equipment	(1,019)	(247)
Net gains on sale and redemption of investment securities	(380)	(54,403)
Net hedge relationship losses	6,425	-
Share based payment reserve	(1,262)	902
Interest income earned on investment securities	(109,030)	(54,555)
Interest expense incurred on borrowed funds and debt securities	20,651	69,177
Cash flows from operating profits before changes in operating assets and liabilities	<u>177,283</u>	<u>293,868</u>
<b>Changes in operating assets and liabilities:</b>		
-net decrease/(increase) in due from banks	186,317	(157,377)
-net decrease in financial assets at fair value through profit or loss	587,372	37,729
-net increase in loans and advances to customers	(766,922)	(466,319)
-net decrease/(increase) in other assets	62,775	(47,465)
-net (decrease)/increase in customer deposits	(79,636)	139,735
-net (decrease)/increase in other liabilities	(56,217)	48,482
Corporate taxes paid	(26,461)	(12,868)
<b>Net cash from/(used in) operating activities</b>	<u>84,511</u>	<u>(164,215)</u>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(17,504)	(27,317)
Proceeds from sale of property and equipment	2,422	2,669
Purchases of investment securities	(1,220,334)	(1,437,693)
Proceeds from sale of investment securities	1,587,186	590,465
Interest income received on investment securities	108,491	44,461
<b>Net cash from/(used in) investing activities</b>	<u>460,261</u>	<u>(827,415)</u>
<b>Cash flows from financing activities</b>		
Net (repayments)/proceeds from other borrowed funds and debt securities	(758,507)	86,866
Interest expense paid on other borrowed funds and debt securities	(32,194)	(58,618)
Dividends paid to equity holders of the parent	(93,591)	(93,325)
Dividends paid to minority interest	(2,589)	(2,704)
Net disposal/(purchase) of treasury shares	918	(992)
Contributed surplus by parent	-	3,119
Net repayments to related parties	-	(1,293)
<b>Net cash used in financing activities</b>	<u>(885,963)</u>	<u>(66,947)</u>
<b>Net decrease in cash and cash equivalents for the year</b>	<u>(341,191)</u>	<u>(1,058,577)</u>
Effect of exchange rate changes on cash and cash equivalents	(6,256)	(6,009)
<b>Cash and cash equivalents, beginning of year</b>	<u>1,012,377</u>	<u>2,076,963</u>
<b>Cash and cash equivalents, end of year (note 8)</b>	<u>664,930</u>	<u>1,012,377</u>

**Board of Directors as at October 31, 2008:**

Michael Mansoor – Chairman;  
John Orr - CEO;  
Ronald Lalonde;  
Richard Venn;  
Thomas Wood;  
David Williamson;  
Sir Alan Fields;  
Sir Fred Gollop;  
G. Diane Stewart;  
David Ritch; and  
Paula Rajkurmarsingh.

*The above information is an extract from the full financial statements within the meaning of the related Banking Act and will be available at our website [www.firstcaribbeanbank.com](http://www.firstcaribbeanbank.com) by February 28, 2009. The full financial statements can be inspected upon request at that time.*