



**CHAIRMAN'S REVIEW**

The Bank's results continue to be reflective of the effects of the global recession with persistent soft loan demand and low interest rates. Excluding securities gains in the prior year, net income for the six months ended April 30, 2011 amounted to \$53 million which was \$14 million lower year on year.

Revenues were down 4% against the prior year, excluding securities gains, due to lower loan and securities average volumes. Expenses were up 3% against the prior year driven by higher pension, depreciation, advertising and taxation expenses; partially offset by lower loan loss impairment expenses.

Capital ratios remain well in excess of regulatory requirements, positioning the Bank well to deploy capital for growth initiatives and to take advantage of opportunities that may arise in the future.

The Directors have approved an interim dividend of three cents (\$0.03) per share to be paid on June 30, 2011 to the shareholders of record as at June 8, 2011.

I wish to thank the Board, management, staff and our customers for their continuing support.

**Michael K. Mansoor**  
Chairman  
May 26, 2011

**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 provide management's current expectations or forecasts 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 trade, monetary or fiscal policy; (3) changes in general economic conditions, or in 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; (4) increased competitive pressure among financial services companies; (5) the ability to successfully execute strategic initiatives designed to grow revenues and/or manage expenses; (6) consummation of significant business combinations or divestitures; (7) operational or risk management failures due to technological or other factors; (8) heightened regulatory practices, requirements or expectations; (9) new legal obligations or restrictions or unfavourable resolution of litigation; (10) adverse capital markets conditions; (11) disruption in the economy and general business climate as a result of terrorist activities or military actions; and (12) changes in accounting or tax practices or requirements. 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 read FirstCaribbean International Bank Limited's financial and other reports that are available on the company's website at [www.firstcaribbean.com](http://www.firstcaribbean.com).

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited April 30, 2011	Unaudited April 30, 2010	Audited October 31, 2010
<b>Assets</b>			
Cash, balances with Central Banks and due from banks	1,092,021	1,062,658	916,942
Financial assets at fair value through profit or loss	34,842	—	—
Loans and advances to customers	6,624,077	6,624,273	6,576,319
Investment securities	1,663,597	1,874,748	1,679,254
Property and equipment	124,903	122,124	126,520
Other assets	145,320	188,032	128,535
Intangible assets	337,105	340,064	338,587
<b>Total assets</b>	<b>10,041,865</b>	<b>10,211,899</b>	<b>9,766,157</b>
<b>Liabilities</b>			
Customer deposits and other borrowed funds	8,319,654	8,473,703	7,988,253
Financial liabilities at fair value through profit or loss	34,842	—	—
Other liabilities	79,322	151,312	173,556
Debt securities in issue	30,713	30,931	31,129
<b>Total liabilities</b>	<b>8,464,531</b>	<b>8,655,946</b>	<b>8,192,938</b>
<b>Equity attributable to equity holders of the parent</b>			
Issued capital and reserves	888,403	879,770	882,831
Retained earnings	658,755	646,775	660,680
	1,547,158	1,526,545	1,543,511
<b>Non-controlling interests</b>	<b>30,176</b>	<b>29,408</b>	<b>29,708</b>
<b>Total equity</b>	<b>1,577,334</b>	<b>1,555,953</b>	<b>1,573,219</b>
<b>Total liabilities and equity</b>	<b>10,041,865</b>	<b>10,211,899</b>	<b>9,766,157</b>

Note: Results have been converted to US\$ at an exchange rate of US\$1 = BBDS2

**Sir Allan Fields**  
Director

**Michael K. Mansoor**  
Chairman

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the Parent				Total Equity
	Issued Capital	Reserves	Retained Earnings	Non-controlling Interests	
<b>Balance at October 31, 2009</b>	1,117,349	(246,768)	620,353	27,835	1,518,769
Total comprehensive (loss) / income for the period	—	(11,787)	92,327	2,493	83,033
Transfer to reserves	—	20,976	(20,976)	—	—
Equity dividends	—	—	(44,929)	—	(44,929)
Dividends of subsidiaries	—	—	—	(920)	(920)
<b>Balance at April 30, 2010</b>	<b>1,117,349</b>	<b>(237,579)</b>	<b>646,775</b>	<b>29,408</b>	<b>1,555,953</b>
<b>Balance at October 31, 2010</b>	1,117,349	(234,518)	660,680	29,708	1,573,219
Total comprehensive (loss) / income for the period	—	(3,235)	51,811	1,331	49,907
Transfer to reserves	—	8,807	(8,807)	—	—
Equity dividends	—	—	(44,929)	—	(44,929)
Dividends of subsidiaries	—	—	—	(863)	(863)
<b>Balance at April 30, 2011</b>	<b>1,117,349</b>	<b>(228,946)</b>	<b>658,755</b>	<b>30,176</b>	<b>1,573,334</b>

Note: Results have been converted to US\$ at an exchange rate of US\$1 = BBDS2

**CONDENSED CONSOLIDATED STATEMENT OF INCOME**

	Unaudited Quarter ended April 30, 2011	Unaudited Six months ended April 30, 2011	Unaudited Quarter ended April 30, 2010	Unaudited Six months ended April 30, 2010	Audited Year ended October 31, 2010
Interest and similar income	124,988	129,926	252,573	267,293	526,915
Interest and similar expense	29,964	35,175	62,886	71,179	139,874
<b>Net interest income</b>	<b>95,024</b>	<b>94,751</b>	<b>189,687</b>	<b>196,114</b>	<b>387,041</b>
Operating income	34,503	57,397	66,288	95,562	164,733
	129,527	152,148	255,975	291,676	551,774
Operating expenses	84,758	77,408	163,804	155,711	317,316
Loan loss impairment	15,263	12,143	30,118	33,779	61,766
Amortisation of intangible assets	739	739	1,482	1,482	2,963
	100,760	90,290	195,404	190,972	382,045
<b>Income before taxation</b>	<b>28,767</b>	<b>61,858</b>	<b>60,571</b>	<b>100,704</b>	<b>169,729</b>
Income tax expense	3,477	4,521	7,408	6,392	12,297
<b>Net income for the period</b>	<b>25,290</b>	<b>57,337</b>	<b>53,163</b>	<b>94,312</b>	<b>157,432</b>
<b>Attributable to:</b>					
Equity holders of the parent	24,655	56,353	51,811	92,224	154,197
Non-controlling interests	635	984	1,352	2,088	3,235
	25,290	57,337	53,163	94,312	157,432
<b>Earnings per share attributable to the equity holders of the parent for the period:</b> (expressed in cents per share)					
- basic and diluted	1.6	3.7	3.4	6.0	10.1

Note: Results have been converted to US\$ at an exchange rate of US\$1 = BBDS2

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Unaudited Quarter ended April 30, 2011	Unaudited Six months ended April 30, 2011	Unaudited Quarter ended April 30, 2010	Unaudited Six months ended April 30, 2010	Audited Year ended October 31, 2010
<b>Net income for the period</b>	<b>25,290</b>	<b>57,337</b>	<b>53,163</b>	<b>94,312</b>	<b>157,432</b>
<b>Other comprehensive income:</b>					
Net losses on available-for-sale investment securities, net of tax	(810)	(15,268)	(2,457)	(10,690)	(14,539)
Exchange differences on translation of foreign operations, net of tax	(91)	218	(799)	(589)	3,197
<b>Other comprehensive loss for the period, net of tax</b>	<b>(901)</b>	<b>(15,050)</b>	<b>(3,256)</b>	<b>(11,279)</b>	<b>(11,342)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>24,389</b>	<b>42,287</b>	<b>49,907</b>	<b>83,033</b>	<b>146,090</b>
<b>Attributable to:</b>					
Equity holders of the parent	23,736	41,212	48,576	80,540	142,434
Non-controlling interests	653	1,075	1,331	2,493	3,656
	24,389	42,287	49,907	83,033	146,090

Note: Results have been converted to US\$ at an exchange rate of US\$1 = BBDS2

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Unaudited Period ended April 30, 2011	Unaudited Period ended April 30, 2010	Audited Year ended October 31, 2010
<b>Net cash from / (used in) operating activities</b>	<b>37,190</b>	<b>367,494</b>	<b>(72,041)</b>
<b>Net cash from / (used in) investing activities</b>	<b>23,824</b>	<b>(74,434)</b>	<b>162,348</b>
<b>Net cash used in financing activities</b>	<b>(47,452)</b>	<b>(141,052)</b>	<b>(184,564)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>13,562</b>	<b>152,008</b>	<b>(94,257)</b>
Effect of exchange rate changes on cash and cash equivalents	(799)	(589)	3,197
<b>Cash and cash equivalents, beginning of the period</b>	<b>536,357</b>	<b>627,417</b>	<b>627,417</b>
<b>Cash and cash equivalents, end of the period</b>	<b>549,120</b>	<b>778,836</b>	<b>536,357</b>

Note: Results have been converted to US\$ at an exchange rate of US\$1 = BBDS2

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Summary of significant accounting policies**

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank Limited (the Group) should be read in conjunction with the International Financial Reporting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2010, included in the Group's Annual Report 2010. For a description of the Group's significant accounting policies, see Note 2 of the aforementioned consolidated financial statements.

**Basis of presentation**

Certain financial information, which is normally included in annual financial statements prepared in accordance with IFRS, but not required for interim reporting purposes, has been condensed or omitted. Reclassifications may be made to the prior period's financial statements to conform to the current period's presentation. These unaudited condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the unaudited 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 unaudited condensed consolidated financial statements, management is required to make estimates and assumptions which affect amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

**Dividends**

The Directors have approved an interim dividend of three United States cents (US\$0.03) per share to be paid on June 30, 2011 to the shareholders of record as at June 8, 2011.