

FirstCaribbean International Bank Limited
Consolidated Financial Statements
For the quarter ended January 31, 2003 (expressed in Barbados dollars)



FIRSTCARIBBEAN
INTERNATIONAL BANK

Chairman's Review

For the quarter ended January 31, 2003

CIBC and Barclays PLC share identical voting share interests in FirstCaribbean International Bank Limited. However, at the initial stage of the combination the value of Barclays' interest was larger than CIBC's. As a result, under International Accounting Standards the accounting treatment for the combination was determined to be that of a reverse acquisition with Barclays identified as the deemed acquirer. One of the consequences of this treatment is that the 2002 comparative financials are those of Barclays Caribbean operations alone. In order to provide a better understanding of business trends, the following commentary focuses on a prior year comparison to the combined pro-forma financial results of both Barclays Caribbean operations and CIBC WIHL.

Net income has declined by \$13.8 million year-over-year, with most of this decline attributable to \$6.7 million in integration-related expenses, and goodwill amortization of \$7.9 million, a non-cash item. If we exclude these two items, Net Income has increased by \$0.8 million or 2% and earnings per share of 3.3 cents are 0.1 cent higher than the prior year.

Net interest income has declined by \$12.7 million or 9% versus the prior year, with most of this decline attributable to reduced interest rate spreads brought about by a general decline in interest rates, particularly US rates. Partially offsetting the decline in net interest income was a \$7 million increase in non-interest income, roughly half of which was derived from one large capital markets transaction.

Non-interest expenses have declined by \$0.8 million from the prior year due to several early synergies arising from the integration, which have more than offset the impact of 2002 salary increases.

Deposits have fallen by over 10% versus the prior year with most of the decline relating to short-term deposits redeemed during the second and third quarters of fiscal 2002. The rate of decline over the first quarter of this year has fallen to only 1.6%. With the banking system currently flush with excess liquidity, the profit impact from this decline in short-term deposit balances is immaterial and in some cases produces a net positive to the bottom line.

Loan balances have fallen by 4% versus the prior year due to slowing business demand over the past year.

PRO-FORMA INCOME STATEMENTS (BBD'000)

| | Quarter ended 31 January 2003 | Quarter ended 31 January 2002 |
|--|----------------------------------|----------------------------------|
| Net interest income | 129,896 | 142,636 |
| Non-interest income | 59,158 | 52,020 |
| Total income | 189,054 | 194,656 |
| Non-interest expenses | 118,206 | 119,050 |
| Restructuring Charges | 6,691 | - |
| Loan Loss provision | 12,847 | 15,806 |
| Goodwill amortisation | 7,928 | - |
| | 145,671 | 134,856 |
| Income before tax and minority interest | 43,383 | 59,800 |
| Taxes | 6,969 | 8,597 |
| | 36,413 | 51,204 |
| Minority interest | 966 | 1,975 |
| Net income | 35,447 | 49,229 |
| Average number of common shares outstanding (000's) | 1,517,910 | 1,517,910 |
| Earnings per share | \$ 0.023 | \$ 0.032 |
| Earnings per share (before goodwill & restructuring) | \$ 0.033 | \$ 0.032 |
| Return on equity (before goodwill) | 11.5% | 11.5% |

Note:
The pro-forma results for 2003 represent actual 3 months results of FirstCaribbean International Limited to January 31, 2003 and actual 3 months results for CIBC West Indies (Excluding Cayman Wealth) and normalised 3 months results for Barclays Caribbean Operations to January 31, 2002.

We are successfully implementing the integration program across the region, which includes re-branding and implementation of a standard technology platform over a two-year period. We will keep shareholders apprised of our progress in this work over the following quarters.

Chairman

CONSOLIDATED BALANCE SHEET BBD'000

| | Unaudited Quarter ended January 31, 2002 | Unaudited Quarter ended January 31, 2003 | Audited* Period ended October 31, 2002 |
|--|--|--|--|
| Assets | | | |
| Cash balances and amounts due from other banks | 6,213,515 | 6,733,064 | 6,745,740 |
| Trading securities | - | 415,153 | 432,081 |
| Loans and advances | 4,020,858 | 7,443,359 | 7,453,146 |
| Investment securities | 388,358 | 1,590,261 | 1,882,171 |
| Property and equipment | 111,671 | 260,116 | 239,848 |
| Other assets | 157,985 | 339,031 | 270,885 |
| Goodwill | - | 627,073 | 635,001 |
| | 10,892,386 | 17,408,057 | 17,658,872 |
| Liabilities | | | |
| Total deposits | 10,470,552 | 14,882,691 | 15,140,879 |
| Other liabilities | 207,411 | 371,927 | 495,378 |
| | 10,677,963 | 15,254,618 | 15,636,257 |
| Minority interest | - | 35,599 | 33,889 |
| Equity | | | |
| Share Capital & reserves | 34,376 | 1,861,093 | 1,767,426 |
| Retained earnings & Head office account | 180,047 | 256,747 | 221,300 |
| | 214,423 | 2,117,840 | 1,988,726 |
| | 10,892,386 | 17,408,057 | 17,658,872 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY BBD'000

| | Share/Assigned Capital | Reserves | Due to Head Office | Retained Earnings | Total Equity |
|--|---------------------------|------------------|-----------------------|----------------------|------------------|
| Balance at October 31, 2001 | 17,034 | 17,342 | 68,218 | 81,992 | 184,587 |
| Net income for the period | | | 10,442 | 6,090 | 16,532 |
| Dividends | | | | (5,378) | (5,378) |
| Transfers from head office | | | 3,830 | | 3,830 |
| Dividends waived | | | | 14,852 | 14,852 |
| Balance at January 31, 2002 | 17,034 | 17,342 | 82,490 | 97,556 | 214,423 |
| Balance at October 31, 2002 | 2,549,524 | (782,098) | - | 221,300 | 1,988,726 |
| Net income for the period | | | | 35,447 | 35,447 |
| Proceeds from rights issue | 88,922 | | | | 88,922 |
| Foreign currency translation | | (4,304) | | | (4,304) |
| Available-for-sale investments securities - net fair value gains, net of tax | | 9,049 | | | 9,049 |
| Balance at January 31, 2003 | 2,638,446 | (777,353) | - | 256,747 | 2,117,840 |

CONSOLIDATED STATEMENT OF INCOME BBD'000

| | Unaudited Quarter ended January 31, 2002 | Unaudited Quarter ended January 31, 2003 | Audited* Period ended October 31, 2002 |
|---|--|--|--|
| Total interest income | 126,142 | 194,920 | 394,779 |
| Total interest expenses | (53,266) | (65,024) | (150,785) |
| Net interest income | 72,876 | 129,896 | 243,994 |
| Non-interest income | 27,250 | 59,158 | 104,973 |
| | 100,126 | 189,054 | 348,967 |
| Non-interest expenses | 66,164 | 118,206 | 249,696 |
| Integration costs | - | 6,691 | 51,739 |
| Provision for credit losses | 11,584 | 12,847 | 33,841 |
| | 77,748 | 137,743 | 335,276 |
| Operating profit | 22,378 | 51,311 | 13,691 |
| Goodwill amortisation | - | 7,928 | 1,982 |
| Taxation | 5,846 | 6,969 | 507 |
| | 16,532 | 36,413 | 11,202 |
| Minority interest | - | 966 | 540 |
| Net Income | 16,532 | 35,447 | 10,662 |
| Average number of common shares outstanding (000's) | | 1,517,910 | 744,065 |
| Net income per common share in cents | | | |
| - basic | n/a | 2.3 | 1.4 |
| - diluted | n/a | 2.1 | 1.2 |
| - cash earnings* | n/a | 3.3 | 8.7 |

* Cash earnings represent earnings before goodwill amortisation and restructuring charges

CONSOLIDATED STATEMENT OF CASH FLOWS BBD'000

| | Unaudited Quarter ended January 31, 2002 | Unaudited Quarter ended January 31, 2003 | Audited* Period ended October 31, 2002 |
|---|--|--|--|
| Net cash (used in)/from operating activities | (410,933) | 154,870 | (832,183) |
| Net cash from/(used in) financing activities | 13,304 | 88,922 | (5,554) |
| Net cash from/(used in) investing activities | 222,749 | 297,619 | (152,252) |
| Effects of exchange rate changes on cash and cash equivalents | - | (10,501) | - |
| Net decrease in cash and cash equivalents for the year | (174,879) | 530,909 | (989,989) |
| Cash balances acquired as a result of business combination | - | - | 1,579,851 |
| Cash and cash equivalents, beginning of year | 6,388,394 | 4,669,697 | 4,079,835 |
| Cash and cash equivalents, end of period | 6,213,515 | 5,200,606 | 4,669,697 |

Audited * - extracted from the Group's audited financial statements for the period to October 31, 2002

DIRECTOR

DIRECTOR