FirstCaribbean International Bank (Jamaica) Limited

Financial Statements
For the six months ended April 30, 2007
(expressed in thousands of Jamaican dollars)

FIRSTCARIBBEAN INTERNATIONAL BANK

Chairman's Review
For the six months ended April 30, 2007

FirstCaribbean International Bank (Jamaica) Limited recorded net income after taxation of $394.7 million for the six months ended April 30, 2007 compared to $269.4 million to April 30, 2006. Included in these results, were the impact of a change in policy, as highlighted in the notes to these financial statements, which resulted in a one-time gain of $54.9 million (net of taxes) and the impact of a change in accounting estimate, which resulted in additional depreciation of $15.9 million year to date. Excluding these items, earnings increased by $86.3 million or 32% over the prior year April 30, 2006. This increased performance was driven primarily by the growth in our loan portfolio.

Net interest income for the six months ended April 30, 2007 was $1,252.9 million representing an increase of $277.2 million or 28.4% over prior year April 30, 2006, due to the growth in our loan volumes. Net revenues amounted to $1,605 million, representing a $348 million or 27.7% increase over the same period in the prior year. Excluding the impact of the one-off gain, non-interest expenses were $218.6 million or 26.5% above the prior year due to the expansion of our branch and automated banking machine network, the impact of the change in the estimated useful lives of capitalised software development costs, general increases in staff and other costs.

Total assets stood at $40.4 billion as at April 30, 2007 compared to $26.6 billion as at April 30, 2006. Loans and advances to customers amounted to $28.2 billion and continue to experience above-market growth rates with a 12-month loan growth of $11.4 billion or 67.4%. We are satisfied with the quality of the loan portfolio as the ratio of non-performing loans to total loans has continued to decline and remains well below the average for commercial banks in Jamaica.

As at April 30, 2007 Stockholders' Equity stood at $5.3 billion reflecting a 17.4% increase over the prior year's balance of $4.5 billion. To support the continued growth of our business, during 2007 $460 million was transferred from Retained Earnings to Statutory Reserve Fund. This compares to $540 million that was transferred in the prior year. In order to support the strong growth in our business, the Board recommends that no dividend be paid for this period.

The Board is pleased to have successfully issued redeemable floating rate notes due 2012 amounting to J$1.5 billion during April 2007. The bond was oversubscribed. The proceeds will be used for general corporate purposes.

Award
FirstCaribbean (Jamaica) was named the "Best Bank in Jamaica" by the New York based *Global Finance* magazine. The selection criteria included knowledge of local conditions and customer needs, growth in assets, profitability, strategic relationships, experienced staff, innovative products, competitive pricing, level of non-performing loans and use of technology.

We thank our customers, employees, shareholders and other stakeholders for their contribution and continued support.

Michael K. Mansoor
Chairman
June 12, 2007

Consolidated Balance Sheet (J$'000)
As at April 30, 2007

	Unaudited April 30, 2007	Restated Unaudited April 30, 2006	Audited October 31, 2006
Assets			
Cash and balances with Central Bank	6,003,384	4,138,111	3,059,962
Loans and advances to banks	2,464,494	1,965,010	2,097,051
Other assets	740,660	989,202	358,821
Investment securities	1,497,829	1,460,331	1,463,207
Government securities purchased under resale agreements	198,155	170,706	674,745
Loans and advances to customers	28,246,111	16,874,742	24,269,003
Property, plant and equipment	481,266	358,660	450,008
Deferred tax assets	1,939	3,007	3,105
Retirement benefit assets	775,506	658,505	722,141
Total assets	**40,409,344**	**26,618,274**	**33,098,043**
Liabilities			
Customer deposits	32,541,509	21,498,922	27,028,807
Other liabilities	786,579	261,026	704,535
Taxation payable	65,812	107,220	222,086
Deferred tax liabilities	176,752	117,603	132,105
Retirement benefit obligations	53,606	138,730	135,418
Debt securities in issue	1,507,223	–	–
Total liabilities	**35,131,481**	**22,123,501**	**28,222,951**
Stockholders' Equity			
Share capital and reserves	4,612,457	4,033,724	4,144,393
Retained earnings	665,406	461,049	730,699
Total equity	**5,277,863**	**4,494,773**	**4,875,092**
Total stockholders' equity and liabilities	**40,409,344**	**26,618,274**	**33,098,043**

Michael Mansoor
Chairman

Milton Brady
Managing Director

Consolidated Statement of Income (J$'000)
For six months ended April 30, 2007

	Unaudited Quarter Ended April 30, 2007	Unaudited Six Months Ended April 30, 2007	Restated Unaudited Quarter Ended April 30, 2006	Restated Unaudited Six Months Ended April 30, 2006	Audited Year Ended October 31, 2006
Interest income	1,044,580	2,011,678	727,008	1,418,651	3,136,062
Interest expenses	(409,574)	(758,755)	(220,996)	(442,922)	(999,821)
Net interest income	**635,006**	**1,252,923**	**506,012**	**975,729**	**2,136,241**
Non-interest income	185,094	352,169	140,124	281,036	611,880
Net revenues	**820,100**	**1,605,092**	**646,136**	**1,256,765**	**2,748,121**
Non-interest expenses	(563,314)	(988,376)	(430,277)	(824,692)	(1,728,082)
Loan loss impairment	(22,175)	(50,024)	(20,509)	(36,320)	(98,417)
	(585,489)	(1,038,400)	(450,786)	(861,012)	(1,826,499)
Income before taxation	**234,611**	**566,692**	**195,350**	**395,753**	**921,622**
Taxation	(68,074)	(171,985)	(61,840)	(126,298)	(296,920)
Net income for the period	**166,537**	**394,707**	**133,510**	**269,455**	**624,702**
Weighted average number of common shares outstanding (000's)	265,757	265,757	254,364	223,343	244,724
Net income per common share in cents	62.7	148.5	52.5	120.6	255.3

Consolidated Statement of Cash Flows (J$'000)
For six months ended April 30, 2007

	Unaudited Six Months Ended April 30, 2007	Restated Unaudited Six Months Ended April 30, 2006	Audited Year Ended October 31, 2006
Net cash provided by/(used in) operating activities	758,003	(1,945,330)	(2,425,607)
Net cash provided by/(used in) investing activities	344,138	(22,239)	(639,836)
Net cash provided by financing activities	1,500,000	1,300,000	1,300,000
Net increase/(decrease) in cash and cash equivalents	2,602,141	(667,569)	(1,765,443)
Effect of exchange rate changes on cash and cash equivalents	94,842	82,749	138,661
Cash and cash equivalents, beginning of period	3,419,791	5,046,573	5,046,573
Cash and cash equivalents, end of period	6,116,774	4,461,753	3,419,791

Segment Financial Information (J$'000)
For the six months ended April 30, 2007

	Retail Banking	Corporate Banking	Other Services	Eliminations	Group
April 30, 2007					
External revenues	750,125	1,050,978	534,514	–	2,335,617
Revenues from other segments	246,495	(70,759)	(24,918)	(122,588)	28,230
Total revenues	**996,620**	**980,219**	**509,596**	**(122,588)**	**2,363,847**
Segment result	159,110	565,062	(157,480)	–	566,692
Taxation					(171,985)
Net income for the period					**394,707**
Segment assets	20,739,502	17,838,406	4,874,274	(3,044,777)	40,407,405
Unallocated assets					1,939
Total assets					**40,409,344**
Segment liabilities	14,652,447	15,421,000	7,496,247	(2,680,777)	34,888,917
Unallocated liabilities					242,564
Total liabilities					**35,131,481**
Other segment items:					
Capital expenditure	50,170	246	59,551	–	109,967
Depreciation	8,250	188	59,991	–	68,429
Loan loss expenses	44,497	17,472	(11,945)	–	50,024

	Retail Banking	Other Corporate Banking	Financial Services	Eliminations	Group
April 30, 2006 (restated)					
External revenues	603,516	686,465	399,902	–	1,689,883
Revenues from other segments	506,004	(68,787)	(359,110)	(68,303)	9,804
Total revenues	**1,109,520**	**617,678**	**40,792**	**(68,303)**	**1,699,687**
Segment result	231,118	433,177	(268,542)	–	395,753
Taxation					(126,298)
Net income for the period					**269,455**
Segment assets	18,601,758	9,561,618	106,990	(1,655,099)	26,615,267
Unallocated assets					3,007
Total assets					**26,618,274**
Segment liabilities	14,511,367	8,492,913	185,497	(1,291,099)	21,898,678
Unallocated liabilities					224,823
Total liabilities					**22,123,501**
Other segment items:					
Capital expenditure	5,629	223	22,357	–	28,209
Depreciation	5,779	957	38,798	–	45,534
Loan loss expenses	23,641	12,679	–	–	36,320

Consolidated Changes in Stockholders' Equity

	Number of Shares ('000)	Share Capital J$'000	Capital Reserve J$'000	Statutory Reserve Fund J$'000	Retained Earnings Reserve J$'000	Building Society's Reserve J$'000	Loan Loss Reserve J$'000	Fair Value Reserve J$'000	Total Share Capital & Reserves J$'000	Retained Earnings J$'000	Total Equity J$'000
Balance as restated November 1, 2005 (restated)	193,333	96,667	12,833	156,667	1,776,163	45,522	103,322	2,550	2,193,724	731,594	2,925,318
Net income as restated	–	–	–	–	–	–	–	–	–	269,455	269,455
Capital injection	72,424	1,300,000	–	–	–	–	–	–	1,300,000	–	1,300,000
Transfer to statutory reserve fund	–	–	–	540,000	–	–	–	–	540,000	(540,000)	–
Transfer to loan loss reserve	–	–	–	–	–	–	–	–	–	–	–
MTM fair value of available-for-sale investment	–	–	–	–	–	–	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	–	–	–	–
Balance as restated April 30, 2006	265,757	1,396,667	12,833	696,667	1,776,163	45,522	103,322	2,550	4,033,724	461,049	4,494,773
Balance as at November 1, 2006	265,757	1,396,667	12,833	696,667	1,776,163	45,522	188,919	27,622	4,144,393	730,699	4,875,092
Net income	–	–	–	–	–	–	–	–	–	394,707	394,707
Transfer to statutory reserve fund	–	–	–	460,000	–	–	–	–	460,000	(460,000)	–
Transfer to loan loss reserve	–	–	–	–	–	–	–	–	–	–	–
MTM fair value of available-for-sale investment	–	–	–	–	–	–	–	8,064	8,064	–	8,064
Dividends	–	–	–	–	–	–	–	–	–	–	–
Balance as at April 30, 2007	265,757	1,396,667	12,833	1,156,667	1,776,163	45,522	188,919	35,686	4,612,457	665,406	5,277,863

Notes to the Condensed Consolidated Financial Statements

Summary of Significant Accounting Policies

Basis of presentation
The accompanying unaudited condensed financial statements of FirstCaribbean International Bank (Jamaica) 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, 2006, included in the Company's Annual Report 2006. For a description of the Group's significant accounting policies, see Note 2 of the aforementioned consolidated financial statements.

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. Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation. These condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the condensed consolidated financial statements for the interim periods presented.

The results of operations for interim periods are not necessarily indicative of results of the entire year.

In preparing these 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.

TRANSACTIONS AFFECTING YEAR ON YEAR COMPARISONS

Change in post retirement medical benefits
Effective January 1, 2007 certain changes to the Group's health benefit scheme were made which resulted in the recognition of a curtailment gain of $54.9 million (net of taxes).

Change in accounting estimates
Effective November 1, 2006, the Group changed its estimate on the useful life of software which resulted in the increase in the depreciation charge for the six months in the amount of $15.9 million.

Loan fee deferrals
In the prior year, in accordance with IAS 18 Revenue, loan fee income, which would have been considered to be an integral part of the effective rate of the financial instruments, was deferred and recognised as an adjustment to the effective interest yield on the loan. This adjustment was applied retrospectively and as such, the comparative statements for 2005 were restated. The 2006 previously published comparatives for year to date April 30, 2006 have also been restated, resulting in a decrease to the opening retained earnings by $108.2 million; a decrease to net income by $24.7 million; and an increase to total liabilities by $132.9 million.

Issuance of debt instruments
The Group has issued debt in this second quarter in the amount of $1.5 billion.

Segment reporting
The Group operates the lines of business organised along customer segments but also includes treasury operations as a reportable segment. The lines of business are –

- *Retail Banking.* Principally providing banking services to individuals and small businesses.
- *Corporate Banking.* Principally providing banking services to corporate and institutional customers.
- *Wealth Management* (formerly International Banking). Principally providing International Mortgages.
- *Capital Markets.* Providing issuers and investors access to larger pools of capital and greater investment opportunities.
- *Treasury.* Managing interest rate, foreign exchange and liquidity risk of the Group.
- *Cards.* Providing credit card services to corporate clients, individuals and institutions.

The Wealth Management, Capital Markets, Treasury and Cards segments have been consolidated and represented in Other Financial Services. Individually the contribution of these segments is less than 10%.

Funds are ordinarily allocated between segments, resulting in funding costs transfers disclosed in operating income. Interest charged for these funds is based on the Group's funds transfer pricing model. Transactions between the business segments are on normal commercial terms and conditions.

The Group's operations are located solely in Jamaica.

The above information is an extract from the full financial statements within the meaning of the related Banking Act, and is also available at our website www.firstcaribbeanbank.com.
The full financial statements can be inspected on request.