FirstCaribbean International Bank (Jamaica) Limited

Financial Statements
For the nine months ended July 31, 2007
(expressed in thousands of Jamaican dollars)

FIRSTCARIBBEAN
INTERNATIONAL BANK

Chairman's Review

FirstCaribbean International Bank Jamaica recorded net income after taxation of $651 million for the nine months ended July 31, 2007, representing an increase of $236 million or 57% over the prior year's $415 million for July 31, 2006. Included in these results, were the impact of a change in policies, as highlighted in the notes to these financial statements, which resulted in a one-time gain of $55 million (net of taxes) and the impact of a change in accounting estimate which resulted in additional depreciation of $24 million year to date. Excluding these items, earnings increased by $205 million or 49% over the prior year July 31, 2006. This increased performance was driven primarily by the growth in our loan portfolio.

Net interest income for the nine months ended July 31, 2007 was $1,880 million representing an increase of $345 million or 23% over prior year July 31, 2006, and was due primarily to the growth in our loan volumes. Net revenues amounted to $2,516 million, representing a $527 million or 26% increase over the same period in the prior year. Excluding the impact of the change in policies referred to above, non-interest expenses were $228 million or 17% above the prior year. This increase was due to the costs associated with 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 $40,749 million as at July 31, 2007 compared to $29,967 million as at July 31, 2006. Loans and advances to customers amounted to $29,177 million and continue to experience significant growth rates with a twelve-month loan growth of $8,030 million or 38%. We are satisfied with the quality of the loan portfolio. Customer deposits grew by $8,169 million or 33%.

As at July 31, 2007 stockholders' equity stood at $5,541 million reflecting a 19% increase over the prior year's balance of $4,674 million. To support the continued growth of our business, during the 2007 $460 million was transferred from retained earnings to the statutory reserve fund. This compares to $540 million that was transferred in the prior year. In order to support the continuing growth in our business, the Board recommends that no dividend be paid for this period.

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

Michael K. Mansoor
Chairman
September 10, 2007

CONSOLIDATED BALANCE SHEET (J$'000)
AS AT JULY 31, 2007

	Unaudited July 31, 2007	Restated Unaudited July 31, 2006	Audited October 31, 2006
Assets			
Cash and balances with Central Bank	4,650,656	3,563,287	3,059,962
Loans and advances to banks	2,893,958	1,739,473	2,097,051
Other assets	1,104,654	564,871	358,821
Investment securities	1,409,764	1,691,301	1,463,207
Government securities purchased under resale agreements	225,228	245,911	674,745
Loans and advances to customers	29,176,776	21,146,896	24,269,003
Property, plant and equipment	485,928	359,486	450,008
Deferred tax assets	-	3,718	3,105
Retirement benefit assets	802,189	652,298	722,141
Total assets	**40,749,153**	**29,967,241**	**33,098,043**
Liabilities			
Customer deposits	32,599,062	24,429,894	27,028,807
Other liabilities	696,786	393,110	704,535
Taxation payable	74,189	180,868	222,086
Deferred tax liabilities	226,269	149,160	132,105
Retirement benefit obligations	53,795	140,271	135,418
Debt securities in issue	1,558,127	-	-
Total liabilities	**35,208,228**	**25,293,303**	**28,222,951**
Stockholders' equity			
Share capital and reserves	4,618,758	4,067,740	4,144,393
Retained earnings	922,167	606,198	730,699
Total equity	**5,540,925**	**4,673,938**	**4,875,092**
Total stockholders' equity and liabilities	**40,749,153**	**29,967,241**	**33,098,043**

Michael Mansoor
Chairman

Milton Brady
Managing Director

Consolidated Statement of Income (J$'000)
For nine months ended July 31, 2007

	Unaudited Quarter Ended July 31, 2007	Unaudited Nine Months Ended July 31, 2007	Restated Unaudited Quarter Ended July 31, 2006	Restated Unaudited Nine Months Ended July 31, 2006	Audited Year Ended October 31, 2006
Interest income	1,099,147	3,110,825	818,957	2,237,608	3,136,062
Interest expenses	(471,691)	(1,230,446)	(259,210)	(702,132)	(999,821)
Net interest income	**627,456**	**1,880,379**	**559,747**	**1,535,476**	**2,136,241**
Non-interest income	283,829	635,998	172,651	453,687	611,880
Net revenues	**911,285**	**2,516,377**	**732,398**	**1,989,163**	**2,748,121**
Non-interest expenses	(489,247)	(1,477,623)	(482,828)	(1,307,520)	(1,728,082)
Loan loss impairment	(36,519)	(86,543)	(22,744)	(59,064)	(98,417)
	(525,766)	(1,564,166)	(505,572)	(1,366,584)	(1,826,499)
Income before taxation	**385,519**	**952,211**	**226,826**	**622,579**	**921,622**
Taxation	(128,758)	(300,743)	(81,678)	(207,976)	(296,920)
Net income for the period	**256,761**	**651,468**	**145,148**	**414,603**	**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	96.6	245.1	57.1	185.6	255.3

Consolidated Statement of Cash Flows (J$'000)
For nine months ended July 31, 2007

	Unaudited Nine Months Ended July 31, 2007	Restated Unaudited Nine Months Ended July 31, 2006	Audited Year Ended October 31, 2006
Net cash provided by/(used in) operating activities	(452,636)	(2,454,138)	(2,425,607)
Net cash provided by/(used in) investing activities	401,173	(303,131)	(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	1,448,537	(1,457,269)	(1,765,443)
Effect of exchange rate changes on cash and cash equivalents	193,108	116,681	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	5,061,436	3,705,985	3,419,791

Segment Financial Information (J$'000)
For the nine months ended July 31, 2007

	Retail Banking	Corporate Banking	Other Financial Services	Eliminations	Group
July 31, 2007					
External revenues	1,126,119	1,448,790	542,358	–	3,117,267
Revenues from other segments	416,097	128,320	285,589	(200,450)	629,556
Total revenues	**1,542,216**	**1,577,110**	**827,947**	**(200,450)**	**3,746,823**
Segment result	265,038	958,904	(271,731)	–	952,211
Taxation					(300,743)
Net income for the period					**651,468**
Segment assets	21,994,793	19,127,689	2,972,078	(3,345,407)	40,749,153
Unallocated assets					-
Total assets					**40,749,153**
Segment liabilities	15,059,674	16,363,814	6,465,689	(2,981,407)	34,907,770
Unallocated liabilities					300,458
Total liabilities					**35,208,228**
Other segment items:					
Capital expenditure	64,326	407	82,567	–	147,300
Depreciation	23,289	290	83,627	–	107,206
Loan loss expenses	70,368	26,519	(10,344)	–	86,543

	Retail Banking	Corporate Banking	Other Financial Services	Eliminations	Group
July 31, 2006 (restated)					
External revenues	860,334	1,096,318	310,797	–	2,267,449
Revenues from other segments	656,523	(109,190)	(15,080)	(108,407)	423,846
Total revenues	**1,516,857**	**987,128**	**295,717**	**(108,407)**	**2,691,295**
Segment result	327,700	680,074	(385,195)	–	622,579
Taxation					(207,976)
Net income for the period					**414,603**
Segment assets	19,243,351	12,602,566	312,862	(2,195,256)	29,963,523
Unallocated assets					3,718
Total assets					**29,967,241**
Segment liabilities	15,156,367	11,141,417	496,747	(1,831,256)	24,963,275
Unallocated liabilities					330,028
Total liabilities					**25,293,303**
Other segment items:					
Capital expenditure	9,816	278	42,000	–	52,094
Depreciation	14,966	213	53,356	–	68,535
Loan loss expenses	27,056	12,678	19,330	–	59,064

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	731,595	2,925,319
Net income as restated	–	–	–	–	–	–	–	–	–	414,603	414,603
Capital injection	72,424	1,300,000	_	_	–	–	–	_	1,300,000	–	1,300,000
Transfer to statutory reserve fund	–	–	–	540,000	–	–	–	–	540,000	(540,000)	–
MTM fair value of available-for-sale investment	–	–	–	–	–	–	–	34,016	34,016	–	34,016
Balance as restated July 31, 2006	265,757	1,396,667	12,833	696,667	1,776,163	45,522	103,322	36,566	4,067,740	606,198	4,673,938
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	–	–	–	–	–	–	–	–	–	651,468	651,468
Transfer to statutory reserve fund	–	–	–	460,000	–	–	–	–	460,000	(460,000)	–
MTM fair value of available-for-sale investment	–	–	–	–	–	–	–	14,365	14,365	–	14,365
Balance as at July 31, 2007	265,757	1,396,667	12,833	1,156,667	1,776,163	45,522	188,919	41,987	4,618,758	922,167	5,540,925

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 nine months in the amount of $23.8 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 July 31, 2006 have also been restated resulting in a decrease to the opening retained earnings by $108.2 million; a decrease to net income by $37.1 million; and an increase to total liabilities by $145.3 million.

Issuance of debt instruments
The Group issued debt in the 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.