



FIRSTCARIBBEAN INTERNATIONAL BANK (BAHAMAS) LIMITED
MANAGING DIRECTOR'S REVIEW OF THE RESULTS
For the three months ended January 31, 2016

For the three months ended January 31, 2016, the Bank recorded net income of \$20.2 million; a significant improvement in performance when compared with net income of \$13.5 million for the corresponding period last year.

Total revenue was \$43.0 million, up \$1.2 million or 3% compared with the same period last year primarily due to lower funding costs and higher operating income. Productive loan growth has started to show some encouraging signs despite credit demand. Sustained, profitable growth remains a key priority for the Bank.

Operating expenses of \$21.5 million were down by \$1.0 million compared with the same period in the prior year as we continue to benefit from discretionary expense control and ongoing savings from the restructuring program initiated in 2013.

Loan loss impairment expense was significantly down by \$4.6 million or 79% compared with the same period in the prior year due to an improving loss experience and loan recovery activity. Additionally, non-productive loan balances continue to decline as significant focus is placed on further strengthening the quality of our loan portfolio.

After paying a dividend of 15.0 cents (\$0.15) per share, on January 25, 2016, the Bank's Tier 1 and Total Capital ratios still remain strong at 33.1% and 34.1%, well in excess of applicable regulatory requirements.

We again wish to thank the Board, management, staff and most importantly our customers for their loyalty and continuing support.

Marie Rodland-Allen
Managing Director

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 inability 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 (Bahamas) Limited, please read FirstCaribbean International Bank (Bahamas) Limited's financial and other reports that are available on the company's website at www.cibcfib.com.

FirstCaribbean International Bank (Bahamas) Limited
Condensed Consolidated Statement of Financial Position
B\$'000

	Unaudited Jan 31, 2016	Unaudited Jan 31, 2015	Audited Oct 31, 2015
	\$	\$	\$
		Restated	
Assets			
Cash and balances with Central Banks and due from banks	572,723	487,048	495,589
Other assets	29,577	31,130	30,576
Investment securities	742,978	779,644	781,848
Loans and advances to customers	1,900,879	1,888,512	1,871,361
Property and equipment	26,931	25,921	25,328
Goodwill	72,747	72,747	72,747
Total Assets	3,345,835	3,285,002	3,277,449
Liabilities			
Customer deposits	2,655,992	2,660,884	2,585,806
Other liabilities	81,552	74,353	83,814
Total Liabilities	2,737,544	2,735,237	2,669,620
Equity			
Issued capital	477,230	477,230	477,230
Reserves	(32,356)	(53,771)	(30,602)
Retained earnings	163,417	126,306	161,201
Total Equity	608,291	549,765	607,829
Total Liabilities And Equity	3,345,835	3,285,002	3,277,449

Managing Director

Director

Condensed Consolidated Statement of Changes in Equity
B\$'000

	Issued Capital \$	Reserves \$	Retained Earnings \$	Total
Balance at October 31, 2014 (Restated)*	477,230	(51,409)	128,444	554,265
Total comprehensive income for the period	-	(2,362)	13,490	11,128
Dividends	-	-	(15,628)	(15,628)
Balance at January 31, 2015	477,230	(53,771)	126,306	549,765
Balance at October 31, 2015	477,230	(30,602)	161,201	607,829
Total comprehensive income for the period	-	(1,754)	20,248	18,494
Dividends	-	-	(18,032)	(18,032)
Balance at January 31, 2016	477,230	(32,356)	163,417	608,291

*Certain amounts shown here do not correspond to the 2014 consolidated financial statements and reflect adjustments made.

Condensed Consolidated Statement of Income
B\$'000

	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2016	Jan 31, 2015	Oct 31, 2015
	\$	\$	\$
Total interest income	35,531	36,162	148,445
Total interest expense	2,870	4,037	14,036
Net interest income	32,661	32,125	134,409
Other operating income	10,357	9,685	37,691
Total revenue	43,018	41,810	172,100
Operating expenses	21,528	22,477	90,953
Loan loss impairment	1,242	5,843	14,934
Impairment of goodwill	-	-	-
	22,770	28,320	105,887
Net income for the period	20,248	13,490	66,213
Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204
Net earnings per share (in cents)	16.8	11.2	55.1

Condensed Consolidated Statement of Comprehensive Income
B\$'000

	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2016	Jan 31, 2015	Oct 31, 2015
	\$	\$	\$
Net income for the period	20,248	13,490	66,213
Other comprehensive income			
Net loss on available-for-sale investment securities	(1,754)	(2,362)	(736)
Re-measurement gain of Retirement benefit obligations	-	-	19,343
Other comprehensive (loss)/income for the period	(1,754)	(2,362)	18,607
Total comprehensive income for the period	18,494	11,128	84,820

Condensed Consolidated Statement of Cash Flows
B\$'000

	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2016	Jan 31, 2015	Oct 31, 2015
	\$	\$	\$
Net cash from/(used in) operating activities	33,787	(52,935)	(45,908)
Net cash from/(used in) investing activities	43,278	(37,215)	(23,805)
Net cash used in financing activities	(18,032)	(15,628)	(31,256)
Net increase/(decrease) in cash and cash equivalents	59,033	(105,778)	(100,969)
Cash and cash equivalents, beginning of the period	354,776	455,703	455,745
Cash and cash equivalents, end of the period	413,809	349,925	354,776

Notes to the Condensed Consolidated Financial Statements
January 31, 2016

1. Summary of significant accounting policies

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank (Bahamas) Limited (the Bank) should be read in conjunction with the International Financial Reporting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2015, included in the Bank's Annual Report 2015. For a description of the Bank'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.

The consolidated interim financial statements include the accounts of the following wholly owned subsidiaries:

- Sentry Insurance Brokers Ltd. (formerly FirstCaribbean Insurance Agency (Bahamas) Limited)
- FirstCaribbean International (Bahamas) Nominees Company Limited
- FirstCaribbean International Land Holdings (TCL) Limited

Dividends

During the quarter, the final dividends for the fiscal year ended October 31, 2015, as approved by the Board of Directors at a meeting held on December 17, 2015, in the amount of \$18.0 million (\$0.15 per share), were paid.

Condensed Consolidated Segment Information
B\$'000

	Unaudited Three Months Ended January 31, 2016				
	RB	WB	WM	Admin	Total
External revenues	24,602	12,079	705	5,632	43,018
Revenues from other segments	(4,393)	2,791	2,017	(415)	-
Total revenues	20,209	14,870	2,722	5,217	43,018
Segment Results	2,477	7,781	1,237	8,753	20,248
Net income for the period					20,248
Segment assets	1,092,830	839,836	3,106	1,337,316	3,273,088
Unallocated assets					72,747
Total assets					3,345,835
Segment liabilities	1,010,141	965,795	592,551	169,057	2,737,544
Unallocated liabilities					-
Total liabilities					2,737,544

	Unaudited Three Months Ended January 31, 2015				
	RB	WB	WM	Admin	Total
External revenues	23,900	12,672	279	4,959	41,810
Revenues from other segments	(2,841)	5,162	2,789	(5,110)	-
Total revenues	21,059	17,834	3,068	(151)	41,810
Segment Results	1,027	7,919	1,965	2,579	13,490
Net income for the period					13,490
Segment assets	1,098,855	820,363	339	1,292,698	3,212,255
Unallocated assets					72,747
Total assets					3,285,002
Segment liabilities	1,016,828	866,765	668,863	182,781	2,735,237
Unallocated liabilities					-
Total liabilities					2,735,237

	Audited Year ended October 31, 2015				
	RB	WB	WM	Admin	Total
External revenues	95,271	53,730	2,093	21,006	172,100
Revenues from other segments	(14,860)	12,696	8,358	(6,194)	-
Total revenues	80,411	66,426	10,451	14,812	172,100
Segment Results	7,692	29,285	5,552	23,684	66,213
Net income for the year					66,213
Segment assets	1,085,617	811,400	3,048	1,304,637	3,204,702
Unallocated assets					72,747
Total assets					3,277,449
Segment liabilities	1,026,966	895,263	593,311	154,080	2,669,620
Unallocated liabilities					-
Total liabilities					2,669,620

Notes:

The Bank's operations are organised into three business segments, Retail & Business Banking ("RB"), Wholesale Banking ("WB") and Wealth Management ("WM"), which are supported by the functional units within the Administration ("Admin") segment (which includes Treasury, Finance, Human Resources, Technology & Operations, Risk and Other). The Admin segment results include the earnings on economic capital and capital charges for Treasury and the offset of the same for RB, WB and WM. Effective November 2015, International Wealth, previously reported within the Wealth Management segment, was transitioned to Retail and Business Banking. Prior period disclosures were amended to conform to this current presentation basis. Please refer to Note 25 of the Bank's Annual Report 2015 for further details.