FirstCaribbean International Bank Limited
Condensed Consolidated Financial Statements
For the nine months ended 31 July, 2021 (expressed in thousands of United States dollars)

CHIEF EXECUTIVE OFFICER'S REVIEW

For the third quarter of this fiscal, our Bank reported net income of $37.1 million, up $21.9 million or 144% over the prior year's third quarter net income of $15.2 million, mainly due to lower provisions for credit losses. For the nine months ended July 31, 2021, our Bank's reported net income was $90.6 million, up $133.6 million from a net loss of $43.0 million for the same period last year.

On an adjusted basis[1], net income for the nine months ended July 31, 2021 was $99.9 million, up $92.3 million over prior year's adjusted net income[1] of $7.6 million for the same period. Despite the year over year improvement, our results to date continue to be impacted by narrower margins as a result of the persistent low interest rate environment.

The pace of the economic recovery in the region continues to be negatively impacted by the COVID-19 pandemic and its more contagious variants. While restrictions imposed by governments to limit the impact of the infection have started to ease in some jurisdictions, disruption in international travel and global supply chains continue to impact the region. The roll-out of vaccines continues to be a targeted health measure for governments, however vaccination rates have generally slowed. Timely completion of vaccination programs will play a key role in controlling the virus and promoting a sustainable economic recovery.

Even though the virus remains a threat and the pace of economic recovery somewhat uncertain, our Bank remains well-positioned to deliver on its strategic objectives, focusing on delivering a top class client experience, digital transformation and improving operational efficiency.

The Bank's Tier 1 and Total Capital ratios remain strong and in excess of applicable regulatory requirements at 13.0% and 15.1%. We are pleased to announce that the Board of Directors has approved a regular quarterly dividend of $0.010 per share to be paid on October 8, 2021 to shareholders of record on September 16, 2021, based on the improved financial performance during the year.

We express our sincere thanks to our employees, clients, shareholders and directors for their continued commitment and support.

Colette Delaney
Chief Executive Officer
September 2, 2021

[1] Year-to-date reported net income was adjusted for restructuring charge of $10.1MM offset by income tax credit of $0.8MM
Prior year to-date reported net income was adjusted for goodwill impairment charge of $50.7MM

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 Limited, please read FirstCaribbean International Bank Limited's financial and other reports that are available on the Bank's website at www.cibcfcib.com

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited Jul 31, 2021	Unaudited Jul 31, 2020	Audited Oct 31, 2020
Assets			
Cash, balances with Central Banks and due from banks	3,016,477	2,246,648	2,280,465
Loans and advances to customers	6,510,594	6,292,785	6,374,063
Securities	2,526,319	3,019,892	3,027,016
Property and equipment	190,897	207,446	205,626
Other assets	213,626	178,562	247,887
Intangible assets	44,372	168,289	44,372
Total assets	12,502,285	12,113,622	12,179,429
Liabilities			
Customer deposits and other borrowed funds	11,219,414	10,726,035	10,843,673
Other liabilities	170,755	194,060	251,467
Debt securities in issue	26,220	74,930	75,564
Total liabilities	11,416,389	10,995,025	11,170,704
Equity attributable to equity holders of the parent			
Issued capital and reserves	1,053,648	1,035,904	1,059,429
Retained earnings/(deficit)	2,524	53,663	(80,363)
Non-controlling interests	1,056,172	1,089,567	979,066
Total equity	29,724	29,030	29,659
Total liabilities and equity	1,085,896	1,118,597	1,008,725
	12,502,285	12,113,622	12,179,429

Note: Results have been converted to USD at an exchange rate of USD1 = BBD2

Director

Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent				
	Issued Capital	Reserves	Retained Earnings	Non-controlling Interests	Total Equity
Balance at October 31, 2019	1,193,149	(191,662)	224,383	31,144	1,257,014
Comprehensive loss for the period	-	16,146	(43,562)	821	(26,595)
Transfer to reserves	-	18,271	(18,271)	-	-
Equity dividends	-	-	(108,887)	-	(108,887)
Dividends of subsidiaries	-	-	-	(2,935)	(2,935)
Balance at July 31, 2020	1,193,149	(157,245)	53,663	29,030	1,118,597
Balance at October 31, 2020	1,193,149	(133,720)	(80,363)	29,659	1,008,725
Comprehensive income for the period	-	(10,719)	87,825	2,654	79,760
Transfer to reserves	-	4,938	(4,938)	-	-
Dividends of subsidiaries	-	-	-	(2,589)	(2,589)
Balance at July 31, 2021	1,193,149	(139,501)	2,524	29,724	1,085,896

Note: Results have been converted to USD at an exchange rate of USD1 = BBD2

CONDENSED CONSOLIDATED STATEMENT OF INCOME/(LOSS)

	Unaudited Quarter ended		Unaudited 9 months ended		Audited Year ended
	Jul 31, 2021	Jul 31, 2020	Jul 31, 2021	Jul 31, 2020	Oct 31, 2020
Total Revenue	137,888	135,788	409,713	436,844	571,930
Operating expenses	96,065	96,982	297,637	302,315	396,229
Credit loss expense on financial assets	2,497	20,854	15,098	126,996	160,535
Impairment of intangible assets	-	-	-	50,669	174,589
	98,562	117,836	312,735	479,980	731,353
Income/(loss) before taxation	39,326	17,952	96,978	(43,136)	(159,423)
Income tax expense/(credit)	2,261	2,733	6,389	(87)	(759)
Net income/(loss) for the period	37,065	15,219	90,589	(43,049)	(158,664)
Attributable to:					
Equity holders of the parent	36,126	14,847	87,825	(43,562)	(159,105)
Non-controlling interests	939	372	2,764	513	441
	37,065	15,219	90,589	(43,049)	(158,664)
Basic and diluted earnings per share attributable to the equity holders of the parent for the period: (expressed in cents per share)	2.3	0.9	5.6	(2.8)	(10.1)

Note: Results have been converted to USD at an exchange rate of USD1 = BBD2

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FirstCaribbean International Bank

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/(LOSS)

	Unaudited Quarter ended		Unaudited 9 months ended		Audited Year ended
	Jul 31, 2021	Jul 31, 2020	Jul 31, 2021	Jul 31, 2020	Oct 31, 2020
Net income/(loss) for the period	37,065	15,219	90,589	(43,049)	(158,664)
Other comprehensive (loss)/income (net of tax) to be reclassified to net income in subsequent periods					
Net gains/(losses) on debt instruments at fair value through OCI	258	17,795	(6,197)	21,151	18,443
Net exchange losses on translation of foreign operations	(1,036)	(2,688)	(4,632)	(4,697)	(3,984)
	(778)	15,107	(10,829)	16,454	14,459
Other comprehensive income (net of tax) not to be reclassified to net income in subsequent periods:					
Re-measurement gains of retirement benefit obligations	-	-	-	-	27,471
Other comprehensive (loss)/income for the period, net of tax	(778)	15,107	(10,829)	16,454	41,930
Comprehensive income/(loss) for the period, net of tax	36,287	30,326	79,760	(26,595)	(116,734)
Comprehensive income/(loss) for the period attributable to:					
Equity holders of the parent	35,304	29,558	77,106	(27,416)	(118,184)
Non-controlling interests	983	768	2,654	821	1,450
	36,287	30,326	79,760	(26,595)	(116,734)

Note: Results have been converted to USD at an exchange rate of USD1 = BBD2

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 9 months ended		Audited Year ended
	Jul 31, 2021	Jul 31, 2020	Oct 31, 2020
Net cash from operating activities	258,637	559,490	582,782
Net cash from/(used in) investing activities	526,844	(436,239)	(386,413)
Net cash used in financing activities	(64,537)	(129,213)	(163,816)
Net increase/(decrease) in cash and cash equivalents for the period	720,944	(5,962)	32,553
Effect of exchange rate changes on cash and cash equivalents	(4,632)	(4,697)	(3,984)
Cash and cash equivalents, beginning of the period	1,917,129	1,888,560	1,888,560
Cash and cash equivalents, end of the period	2,633,441	1,877,901	1,917,129

CONDENSED CONSOLIDATED SEGMENT INFORMATION

	Unaudited July 31, 2021				
	RBB	CIB	WM	Admin	Total
Nine months ended					
External revenue	109,638	125,517	1,187	39,055	275,397
Internal revenue	4,672	8,310	14,012	(26,994)	-
Net interest income	114,310	133,827	15,199	12,061	275,397
Operating income	51,271	50,331	33,515	(801)	134,316
Total revenue	165,581	184,158	48,714	11,260	409,713
Depreciation	6,125	1,543	1,313	20,454	29,435
Operating expenses	71,508	28,064	25,473	143,157	268,202
Indirect expenses	74,065	65,383	19,293	(158,741)	-
Credit loss expense on financial assets	7,742	6,909	(257)	704	15,098
Income before taxation	6,141	82,259	2,892	5,686	96,978
Income tax expense	(5,169)	5,948	151	5,459	6,389
Net income for the period	11,310	76,311	2,741	227	90,589
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	2,619,791	3,861,686	214,130	5,806,678	12,502,285
Segment liabilities	4,401,648	4,207,785	2,724,282	82,674	11,416,389

CONDENSED CONSOLIDATED SEGMENT INFORMATION *Continued*

	Unaudited July 31, 2020				
	RBB	CIB	WM	Admin	Total
Nine months ended					
External revenue	114,338	132,690	(3,323)	55,396	299,101
Internal revenue	15,818	19,468	34,703	(69,989)	-
Net interest income	130,156	152,158	31,380	(14,593)	299,101
Operating income	51,164	50,765	35,444	370	137,743
Total revenue	181,320	202,923	66,824	(14,223)	436,844
Depreciation	6,454	1,207	892	19,859	28,412
Operating expenses	78,248	28,016	26,424	141,215	273,903
Indirect expenses	71,258	64,978	22,358	(158,594)	-
Credit loss expense on financial assets	56,326	53,186	830	16,654	126,996
Impairment of intangible assets	-	-	-	50,669	50,669
Loss before taxation	(30,966)	55,536	16,320	(84,026)	(43,136)
Income tax credit	(6,451)	3,942	280	2,142	(87)
Net loss for the period	(24,515)	51,594	16,040	(86,168)	(43,049)
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	2,559,813	3,774,492	161,193	5,618,124	12,113,622
Segment liabilities	4,084,859	4,000,077	2,785,952	124,137	10,995,025

	Audited October 31, 2020				
	RBB	CIB	WM	Admin	Total
Year ended					
External revenue	151,624	174,557	(3,434)	69,111	391,858
Internal revenue	18,714	26,960	43,204	(88,878)	-
Net interest income	170,338	201,517	39,770	(19,767)	391,858
Operating income	68,673	64,946	46,847	(394)	180,072
Total revenue	239,011	266,463	86,617	(20,161)	571,930
Depreciation	9,332	1,682	1,597	26,768	39,379
Operating expenses	102,488	37,759	33,418	183,185	356,850
Indirect expenses	94,784	85,003	31,508	(211,295)	-
Credit loss expense on financial assets	91,711	51,231	2,201	15,392	160,535
Impairment of intangible assets	-	-	-	174,589	174,589
Loss before taxation	(59,304)	90,788	17,893	(208,800)	(159,423)
Income tax credit	(9,988)	6,517	345	2,367	(759)
Net loss for the year	(49,316)	84,271	17,548	(211,167)	(158,664)
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	2,580,321	3,833,689	163,123	5,602,296	12,179,429
Segment liabilities	4,133,536	3,947,650	2,891,337	198,181	11,170,704

Notes:

1. The Group's operations are organized into four segments: Retail, Business and International Banking ("RBB"), Corporate and Investment Banking ("CIB") 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). RBB, CIB and WM are charged or credited by Treasury with a market-based cost of funds on assets, liabilities and capital, respectively. The offset of these charges or credits are reported in the Treasury function within the Admin segment.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. We review our transfer pricing methodologies on an ongoing basis to ensure they reflect changing market environments and industry practices. Transactions between the business segments are on normal commercial terms and conditions.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the statement of financial position, but exclude intangible assets. Securities and cash placements are normally held within the Treasury unit within the Admin segment. Certain comparative amounts have been reclassified to conform to the presentation adopted in the current year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and 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 IFRS consolidated financial statements and notes thereto for the year ended October 31, 2020, included in the Group's Annual Report 2020. 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 Board of Directors has approved a regular quarterly dividend of one United States cent ($0.010) per share to be paid on October 8, 2021 to shareholders of record on September 16, 2021.