FirstCaribbean International Jamaica Limited

For the three months ended January 31, 2004

Chairman's Review
For the three months ended January 31, 2004

FirstCaribbean International Bank Jamaica Group reported a net profit of $90.1 million for the three months ended January 31, 2004, representing 35.6% increase over the $66.4 million for the corresponding period last year.

The improved performance was directly due to an increase, in total revenue, of $116.3 million or 27.8% compared to the same period last year. Interest Income increased by $110 million (21.5%) in keeping with greater loan volumes following successful loan and mortgage campaigns last year.

Shareholders' return on equity was 16.2% for the quarter compared to 15.4% for the same period last year; earnings per share was 47 cents in comparison to 34 cents for the first quarter of 2003.

Total assets stood at $19.3 billion as at January 31, 2004 compared to $18.2 billion at the end of the corresponding quarter of the preceding year. Total loans increased by $1.5 billion or 25.4% over the same period last year, and stood at $7.3 billion as at January 31, 2004. Deposit balances closed the quarter at $16.5 billion, 2.3% higher than at the end of the first quarter last year.

FirstCaribbean is successfully implementing the integration program across the region, which includes re-branding and implementation of a standard technology platform. We have made substantial progress in all of these areas and will keep shareholders apprised of further developments.

Michael K. Mansoor

Chairman

CONSOLIDATED BALANCE SHEET (J$'000)

	Unaudited January 31,2004	Restated January 31,2003	Audited October 31,2003
Assets			
Cash resources	7,591,443	7,658,546	7,673,416
Securities	2,567,525	2,274,740	2,659,287
Government securities purchased under resale agreement	412,797	1,018,081	412,797
Loans	7,275,653	5,800,212	7,061,581
Net investment in leases	29,248	34,588	25,632
Fixed assets	284,278	221,325	286,313
Other assets	1,185,450	1,161,916	1,252,632
	19,346,394	18,169,408	19,371,658
Liabilities			
Total deposits	16,469,178	16,098,556	16,561,713
Other liabilities	620,095	320,944	642,956
	17,089,273	16,419,500	17,204,669
Shareholders' Equity			
Share capital & reserves	1,724,477	1,250,477	1,274,477
Retained earnings	532,644	499,431	892,512
	2,257,121	1,749,908	2,166,989
	19,346,394	18,169,408	19,371,658

Michael Mansoor
Chairman

Raymond Campbell
Director

CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

	Number of Shares ('000)	Share Capital J $'000	Capital Reserve J $'000	Statutory Reserve Fund J $'000	Retained Earnings Reserve J $'000	Bldg. Society General Reserve J $'000	Total Share Capital & Reserve J $'000	Retained Earnings J$'000
Balance at November 1, 2002	193,333	96,667	19,458	156,667	932,163	45,522	1,250,477	432,982
Net income for the period								66,449
Transfer to retained earnings reserve								
Dividends								
Balance at January 31, 2003	193,333	96,667	19,458	156,667	932,163	45,522	1,250,477	499,431
Balance at November 1, 2003	193,333	96,667	19,458	156,667	956,163	45,522	1,274,477	892,512
Net income for the period							-	90,132

Transfer to retained earnings reserve 450,000
450,000 (450,000)
Dividends
Balance at January 31, 2004 193,333 96,667 19,458 156,667 1,406,163 45,522
1,724,477 532,644
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CONSOLIDATED STATEMENT OF INCOME (J$'000)

	Unaudited Year To Date January 31,2004	Restated Year To Date January 31,2003	Audited Year ended October 31,2003
Total interest income	620,064	510,397	2,242,306
Total interest expenses	(211,868)	(236,104)	(886,998)
Net interest income	408,196	274,293	1,355,308
Non-interest income	126,943	144,565	635,727
	535,139	418,858	1,991,035
Non-interest expenses	387,903	308,667	1,290,900
Provision for credit losses	14,914	21,534	14,049
Restructuring/Integration Costs	0	0	(10,463)
	402,817	330,201	1,294,486
Income before taxation	132,322	88,657	696,549

Taxation	(42,190)	(22,208)	(193,686)
Net Income	90,132	66,449	502,863
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Average number of common shares outstanding (000's)	193,333	193,333	193,333
Net income per common share in cents	46.6	34.4	260.1

CONSOLIDATED STATEMENT OF CASH FLOWS (J$'000)

	Unaudited Quarter ended January 31, 2004	**Restated Quarter ended January 31,2003**	**Audited Year ended October 31,2003**
Net cash used in operating activities	(54,632)	(507,862)	(752,884)
Net cash provided by/ (used in) investing activities	99,688	(51,951)	(33,444)
Net cash (used in)/ provided by financing activities	(135,925)	(92,089)	114,910
Net decrease in cash and cash equivalents	(90,869)	(651,902)	(671,418)
Cash and cash equivalents, beginning of year	5,894,342	6,565,760	6,565,760
Cash and cash equivalents, end of year	5,803,473	5,913,858	5,894,342

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SEGMENT FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF INCOME(J$'000)

For the quarter ended
January 31, 2004

	Financial Services	Investment Management Services	Consol Elimin.	Group
Net Revenues	508,901	26,238	-	535,139
Operating Expenses	(373,289)	(29,528)	-	(402,817)
Profit before taxation	135,612	(3,290)	-	132,322
Income Tax				(42,190)
Net Profit				90,132
Segment Assets	19,349,203	122,836	(125,645)	19,346,394
Segment Liabilities	17,114,779	63,395	(88,901)	17,089,273
Other segment items:				

Capital expenditure	13,265	35	-	13,300
Depreciation	14,338	504	-	14,842

For the quarter ended
January 31, 2003

	Financial Services	Investment Management Services	Consol Elimin.	Group
Net Revenues	369,566	49,292	-	418,858
Operating Expenses	(307,667)	(22,534)	-	(330,201)
Profit before taxation	61,899	26,758	-	88,657
Income Tax				(22,208)
Net Profit				66,449
Segment Assets	16,453,650	1,792,603	(76,845)	18,169,408
Segment Liabilities	15,112,729	1,346,871	(40,100)	16,419,500
Other segment items:				
Capital expenditure	3,801	-	-	3,801
Depreciation	15,409	852	-	16,261

1. Basis of preparation

The financial statements for the quarter ended 31 January 2004 have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and comparative information has been restated to conform with the provisions of IFRS.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Investments

The Group classifies its investment securities into the following two categories: held-to-maturity and originated debts. Management determines the appropriate classification of Investments at the time of purchase.

Government or other securities, which are purchased directly from the issuer, are classified as originated debts. These include bonds and treasury bills. They are initially recorded at cost, which is the cash given to originate the debt, and are subsequently measured at amortised cost.

Investments purchased on the secondary market which are intended to be held to maturity, are classified as such. These investments are initially recorded at cost, and are subsequently measured at amortised cost.

Unquoted equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

3. Loans and provision for impairment losses

Loans are stated net of unearned income and provision for credit losses.

Loans are recognised when cash is advanced to borrowers. They are initially recorded at cost, which is the cash given to originate the loan, and are subsequently measured at amortised cost.

A provision for loan impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms of loans. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees and collateral, discounted at the original effective interest rate of loans.

4. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave and other benefits are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and other benefits as a result of services rendered by employees up to the balance sheet date.

5. Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

6. Pension asset and other post-retirement benefits

(i) Pension asset

The Group operates a defined benefit pension plan. The asset in respect of the defined benefit pension plan is the difference between the present value of the defined benefit obligation at the balance sheet date and the fair value of plan assets, adjusted for unrecognised actuarial gains/losses and past service cost.

The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates on government securities which have terms to maturity approximating the terms of the related liability. The pension benefit is based on the best consecutive five years' earnings in the last ten years of employment and the charge representing the net periodic pension cost less employee contributions, is included in staff costs.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to the pension plan are charged or credited to income over the service lives of the related employees.

(ii) Other post-retirement obligations
The Group provides post-retirement health care benefits to its retirees. The entitlement to these benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit pension plans. These obligations are valued annually by independent qualified actuaries.

7. Segment Financial Information

The Group is organised into two main business segments:

(a) Financial Services - This incorporates retail and corporate banking services.

(b) Investment Management Services - This includes investments and pension fund management and the administration of trust accounts.

Transactions between the business segments are on normal commercial terms and conditions.

The Group's operations are located solely in Jamaica.