

**First Citizens Bank Limited And Its Subsidiaries  
(A Subsidiary of First Citizens Holdings Limited)**

**Unaudited Condensed Consolidated Financial Statements**  
(Expressed in Trinidad and Tobago dollars)

**Three Months Ended 31 December 2014**

# First Citizens Bank Limited and its Subsidiaries

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<b>Contents</b>	<b>Page</b>
Executive Chairman's Report	1
Statement of Financial Position	2
Income Statement	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flow	6
Notes to the Consolidated Financial Statements	7- 11

**First Citizens Bank Limited and its Subsidiaries  
Unaudited Financial Statements  
For the Three Months ended 31 December 2014**

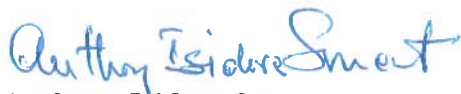
**Executive Chairman's Report**

We are pleased to report that the First Citizens Group has concluded another profitable first quarter. Total assets exceeded \$37 billion at the end of the quarter. This represents growth of 6.2% over the three month period. Most outstanding were our loan growth of 7.2% (\$0.8 billion) and investment growth of 10.5% (\$1.2 billion) for the period. Profit after tax increased by 1.6 % to \$177.7 million for the three months to 31st December 2014, as compared to the corresponding period in 2013. Despite rising inflation we were able to maintain our expenses while we grew our total income, resulting in an increase in operating profit by \$3.8 million.

The Group's first quarter performance was particularly noteworthy in light of current market conditions which continue to be marked by high liquidity and low interest rates.

Over the quarter oil prices have decreased significantly by just over 40%. The Minister of Finance has since revised the oil price assumption to US\$45 per barrel and gas price to US\$2.25 per mmbtu as compared to the original national budget estimate of US\$80 and US\$2.75 respectively. We continue to monitor very closely these developments and the resulting impact on government revenue and economic activity. Notwithstanding, the board and management remain confident of continued growth and profitability for fiscal 2015.

We are indeed very proud of our achievements during the period. I would like to express my gratitude to the staff, customers, my fellow directors and all other stakeholders for their invaluable contribution to the continuing growth of the First Citizens Group.



**Anthony Isidore Smart  
Executive Chairman**

26 January 2015

**FIRST CITIZENS BANK LIMITED AND ITS SUBSIDIARIES  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

As at 31 December 2014 (expressed in Trinidad and Tobago Dollars)

	Unaudited Dec-14 \$'000	Restated Unaudited Dec-13 \$'000	Audited Sep-14 \$'000
<b>ASSETS</b>			
Cash and Statutory Deposits	8,360,583	8,426,361	8,285,751
Financial Assets			
- Investments	12,930,650	12,577,112	11,705,418
- Loans and receivables less allowance for loan losses:			
Loans to customers	11,961,200	11,397,028	11,154,553
Loans Notes	2,457,808	2,539,070	2,455,001
Other assets	424,488	284,597	351,002
Investment in joint ventures & associates	150,268	141,343	148,851
Property, plant and equipment	474,528	457,538	479,214
Intangible asset	202,260	211,120	203,245
Defined benefit asset	58,944	-	74,933
<b>TOTAL ASSETS</b>	<b>37,020,729</b>	<b>36,034,169</b>	<b>34,857,968</b>
<b>LIABILITIES</b>			
Customers' deposits and other funding instruments	27,886,592	26,576,977	25,697,859
Due to other banks	85,907	98,153	82,454
Creditors and accrued expenses	814,471	668,570	832,533
Defined benefit asset	-	30,060	-
Debt securities in issue	1,928,589	2,455,842	1,945,769
Notes due to related companies	58,000	58,000	58,000
<b>TOTAL LIABILITIES</b>	<b>30,773,559</b>	<b>29,887,602</b>	<b>28,616,615</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	643,557	643,557	643,557
Statutory reserve	672,768	669,861	672,768
Fair Value reserve	1,308,375	1,260,730	1,323,970
Retained earnings	3,622,470	3,572,419	3,601,058
<b>SHAREHOLDERS' EQUITY</b>	<b>6,247,170</b>	<b>6,146,567</b>	<b>6,241,353</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>37,020,729</b>	<b>36,034,169</b>	<b>34,857,968</b>

The notes on pages 7 to 11 form an integral part of these consolidated financial statements.

On 26 January 2015, the Board of Directors of First Citizens Bank Limited authorised these consolidated financial statements for issue.

Director Anthony Isidore Smart

Director Joe...

**FIRST CITIZENS BANK LIMITED AND ITS SUBSIDIARIES**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**

**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**  
**As at 31 December 2014 (expressed in Trinidad and Tobago**  
**Dollars)**

	Unaudited		Audited
	Three months ended		Sep-14
	Dec-14	Dec-13	\$'000
	\$'000	\$'000	\$'000
Net interest income	286,661	292,209	1,156,681
Other income	143,462	135,947	524,438
<b>Total net income</b>	<b>430,123</b>	<b>428,156</b>	<b>1,681,119</b>
Impairment Expenses net recoveries	(10,049)	(12,122)	(12,884)
Expenses	(210,534)	(210,273)	(913,081)
<b>Operating profit</b>	<b>209,540</b>	<b>205,761</b>	<b>755,154</b>
Share of profit in associates and joint venture	4,804	5,869	17,421
<b>Profit before taxation</b>	<b>214,344</b>	<b>211,630</b>	<b>772,575</b>
Taxation	(36,684)	(36,785)	(146,015)
<b>Profit after taxation</b>	<b>177,660</b>	<b>174,845</b>	<b>626,560</b>
<b>Earnings Per Share</b>			
Basic	\$0.71	\$0.70	\$2.49
<b>Weighted Average Number of Share</b>			
Basic	251,354	251,354	251,354

**FIRST CITIZENS BANK LIMITED AND ITS SUBSIDIARIES**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**  
(expressed in Trinidad and Tobago Dollars)

	Unaudited		Audited
	Three months ended		
	Dec-14	Dec-13	Sep-14
	\$'000	\$'000	\$'000
<b>Profit for the year</b>	<b>177,660</b>	<b>174,845</b>	<b>626,560</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be classified to Profit or Loss</b>			
Amortization of gains on held to maturity assets	(1,109)	(1,989)	(4,447)
Remeasurement of defined benefit liability	(6,464)	-	106,054
Revaluation of property, plant and equipment net of tax	--	--	2,964
	(7,573)	(1,989)	104,571
<b>Items that may be reclassified to Profit or Loss</b>			
Exchange difference on translation	5,226	3,091	(6,708)
Transfer of net realized gain to current year income	(1,987)	(12,379)	(65,525)
Revaluation of available-for-sale assets & property	(11,261)	17,595	37,220
	(8,022)	8,307	(35,013)
<b>Total Other Comprehensive Income</b>	<b>(15,595)</b>	<b>6,318</b>	<b>69,558</b>
<b>Total comprehensive income for the year</b>	<b>162,065</b>	<b>181,163</b>	<b>696,118</b>

**FIRST CITIZENS BANK LIMITED AND ITS SUBSIDIARIES  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
Period ended 31 December 2014 (expressed in Trinidad and Tobago Dollars)**

	Share Capital \$'000	Statutory Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Shareholders' Equity \$'000
<b>Balance at 30 September 2014</b>	<b>643,557</b>	<b>672,768</b>	<b>1,323,970</b>	<b>3,601,058</b>	<b>6,241,353</b>
Total Comprehensive income			(15,595)	177,660	162,065
Dividends				(156,248)	(156,248)
<b>Balance at 31 December 2014</b>	<b>643,557</b>	<b>672,768</b>	<b>1,308,375</b>	<b>3,622,470</b>	<b>6,247,170</b>
<b>Restated Balance at 30 September 2013</b>	<b>643,557</b>	<b>669,717</b>	<b>1,254,412</b>	<b>3,397,718</b>	<b>5,965,404</b>
Total Comprehensive income			6,318	174,845	181,163
Transfer to statutory reserve		144		(144)	-
<b>Balance at 31 December 2013</b>	<b>643,557</b>	<b>669,861</b>	<b>1,260,730</b>	<b>3,572,419</b>	<b>6,146,567</b>
<b>Balance at 30 September 2013</b>	<b>643,557</b>	<b>669,717</b>	<b>1,254,412</b>	<b>3,397,718</b>	<b>5,965,404</b>
Total Comprehensive income			69,558	626,560	696,118
Dividends	-	-	-	(420,169)	(420,169)
Transfer to statutory reserve	-	3,051	-	(3,051)	-
<b>Balance at 30 September 2014</b>	<b>643,557</b>	<b>672,768</b>	<b>1,323,970</b>	<b>3,601,058</b>	<b>6,241,353</b>

**FIRST CITIZENS BANK LIMITED AND ITS SUBSIDIARIES  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 DECEMBER 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
Period ended 31 December 2014 (expressed in Trinidad and Tobago Dollars)**

	Unaudited Dec-14 \$'000	Unaudited Dec-13 \$'000	Audited Sep-14 \$'000
<b>Cash Flow From Operating Activities</b>			
Profit before taxation	214,344	211,630	772,575
Adjustments to reconcile profit to net cash provided by operating activities:			
Cashflows from operating activities before changes in operating assets and liabilities	59,872	11,816	49,853
Changes in operating assets and liabilities:			
Net change in loans to customers	(810,981)	118,543	376,580
Net change in customers' deposits and other funding	2,188,733	943,773	64,655
Net change in other assets	(91,670)	(880,416)	(976,620)
Net change in statutory deposits with Central Bank	(667,816)	648,580	1,330,183
Net change in creditors and accrued expenses	(2,257)	(186,705)	(35,131)
Taxes paid	(58,774)	141	(121,840)
<b>Net cash flow from operating activities</b>	<b>831,451</b>	<b>867,362</b>	<b>1,460,255</b>
<b>Cash Flows From Investing Activities</b>			
Net change in investments	(1,258,020)	(680,118)	143,809
Net change in loan notes	-	-	80,979
Net change in short-term investments	21,898	(401,284)	(457,362)
Proceeds from disposal of property, plant and equipment	4,922	-	1,578
Purchase of property, plant and equipment	(15,138)	(14,462)	(79,304)
	<b>(1,246,338)</b>	<b>(1,095,864)</b>	<b>(310,300)</b>
<b>Cash Flows From Financing Activities</b>			
Net change in debt securities	-	-	(500,000)
Dividend paid	(156,248)	-	(420,169)
<b>Net cash flow from financing activities</b>	<b>(156,248)</b>	<b>-</b>	<b>(920,169)</b>
Effect of exchange rate changes	(3,404)	1,188	43,513
<b>Net cash (decrease)/increase in cash and cash equivalents</b>	<b>(574,539)</b>	<b>(227,314)</b>	<b>273,299</b>
Cash and cash equivalents at beginning of year	2,182,428	1,909,129	1,909,129
<b>Cash and cash equivalents at end of period</b>	<b>1,607,889</b>	<b>1,681,815</b>	<b>2,182,428</b>
<b>REPRESENTED BY:-</b>			
Cash and due from banks and Statutory Deposits	8,360,583	8,426,361	8,285,751
Statutory Deposits	(6,076,620)	(6,090,407)	(5,408,804)
Due to other banks	(85,907)	(98,153)	(82,454)
Short Term Investments (Maturity over 3 months)	(590,167)	(555,986)	(612,065)
	<b>1,607,889</b>	<b>1,681,815</b>	<b>2,182,428</b>



**First Citizens Bank Limited and its Subsidiaries**  
**Unaudited Financial Statements**  
**For Three Months ended 31 December 2014**

**Notes to the Condensed Consolidated Interim Financial Statements**

**1 General Information**

First Citizens Bank Limited (the Bank) and its subsidiaries (together the Group) provide retail, commercial and corporate banking as well as investment banking services. The Group operates primarily in Trinidad and Tobago and the Eastern Caribbean region.

The Bank is a subsidiary of First Citizens Holdings Limited (Holdings), a company owned by the Government of the Republic of Trinidad and Tobago (GORTT). During the year, First Citizens Holdings disposed of 20% of its ordinary share holdings interest, which is trading on the Trinidad and Tobago Stock Exchange.

On 12 September 1993, the Workers' Bank (1989) Limited, National Commercial Bank of Trinidad and Tobago Limited and Trinidad Co-operative Bank Limited under and by virtue of vesting orders made by the Minister of Finance under section 49 of the Financial Institutions Act, 1993, were transferred to and became vested in the Bank.

All entities which were transferred to, or from which specific assets or liabilities were transferred to the Bank, were wholly owned or controlled by the Trinidad and Tobago Government. Therefore, the transfers were recorded as a combination of interests under common control whereby all assets and liabilities transferred to the Bank were transferred at their carrying amounts in the accounts of the transferred or transferring entities at the dates of the respective transfers.

The Group currently comprises the following entities:

Entity	Nature of operations	Country of incorporation	Ownership interest
First Citizens Asset Management Limited	Investment & asset management services for corporate benefit plans, mutual funds and other parties	Trinidad & Tobago	100%
First Citizens Bank (Barbados) Limited	Banking, including the provision of mortgages for residential and commercial properties	Barbados	100%
First Citizens Costa Rica SA	Service related transactions	Costa Rica	100%
First Citizens Financial Services (St. Lucia) Limited	Selected banking and financial service operations	St. Lucia	100%
First Citizens Investment Services Limited	Investment & asset management services and repo business	Trinidad & Tobago	100%
First Citizens Securities Trading Limited	Financial management services and repo business	Trinidad & Tobago	100%
First Citizens (St. Lucia) Limited	Selected banking and financial service operations	St. Lucia	100%
First Citizens Trustee Services Limited	Provision of trustee, administration and bond paying agency services	Trinidad & Tobago	100%

The Group also has investment in the following entities:

Infolink Services Limited	Provision of automated banking reciprocity services	Trinidad & Tobago	25%
Trinidad and Tobago Interbank Payment System Limited	Automated clearing house	Trinidad & Tobago	14.29%
St. Lucia Electricity Services Limited	Provision of electrical power to consumers	St. Lucia	19%

**First Citizens Bank Limited and its Subsidiaries**  
**Unaudited Financial Statements**  
**For Three Months ended 31 December 2014**

**Notes to the Condensed Consolidated Interim Financial Statements**

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**2 Basis of preparation**

The Interim financial statement for the three months period ended 31 December 2014, has been prepared in accordance with IAS 34 "Interim Financial Reporting".

**3 Significant Accounting Policies**

The accounting policies adopted in the preparation of the interim financial statement are consistent with those followed in the preparation of the annual financial statements for the year ended 30 September 2014.

**4 Commitments**

	December 2014 \$'000	December 2013 \$'000	September 2014 \$'000
<b>Capital Commitments</b>			
Capital expenditure approved by the Directors but not provided for in these accounts:	<u>11,519</u>	<u>5,394</u>	<u>12,529</u>
<b>Credit Commitments</b>			
Commitments for loans approved not yet disbursed:	<u>324,289</u>	<u>1,072,190</u>	<u>386,117</u>

**First Citizens Bank Limited and its Subsidiaries**  
**Unaudited Financial Statements**  
**For Three Months ended 31 December 2014**

**Notes to the Condensed Consolidated Interim Financial Statements**

**5 Related Party Transactions**

(a) **Directors and key management personnel**

	<b>December 2014 \$'000</b>	<b>December 2013 \$'000</b>	<b>September 2014 \$'000</b>
Salaries and other short-term employee benefits	8,794	7,941	29,755
Loans and receivables	20,808	17,391	17,138
Interest income	253	209	551
Customers' Deposits	9,692	5,070	7,858
Interest expense	36	26	57
Other Funding instruments	1,336	1,446	1,313
Interest expense-Other funding	9	9	34

b) **Transactions with associate**

Loans and receivables	63,184	79,655	70,859
Interest income	1,263	1,549	5,593

c) **Transactions with parent**

Customers' Deposit	121,787	7,837	2,471
Long-term notes payable	58,000	58,000	58,000
Loan Note receivable	41,713	46,927	41,713
Interest income on loan notes	1,209	1,360	5,246

**First Citizens Bank Limited and its Subsidiaries**

**Unaudited Financial Statements**

**For Three Months ended 31 December 2014**

**Notes to the Consolidated Financial Statements**

**5 Related Party Transactions (cont'd)**

**(d) Government of the Republic Trinidad and Tobago**

On the formation of the Bank (see Note 1), it was agreed that the assets and liabilities of the predecessor financial institutions would be transferred to the Bank and the non-performing portfolio sold to a liquidating company in consideration for an equivalent amount of Government-guaranteed notes and commercial paper. In addition, the Central Bank agreed to put specific liquidity arrangements in place by way of a long-term loan. The current amount outstanding on these obligations and the related income and expenses are disclosed below:

	December 2014 \$'000	December 2013 \$'000	September 2014 \$'000
<b>Assets</b>			
Loan notes	547,885	616,370	547,885
Notes receivable from Central Bank	1,868,210	1,875,773	1,865,403
Due from GORTT	-	27,467	-
<b>Liabilities</b>			
Due to GORTT	94,009	124,400	92,065
<b>Interest Income</b>			
Loan notes	15,881	17,866	74,154
Notes receivable from Central Bank	5,598	6,447	23,005

**(e) Other transactions with the Government of the Republic Trinidad and Tobago**

In addition to the balances in (d) above, the Group in its ordinary course of business enters into lending, deposit and investment transactions with the GORTT, other state owned institutions, state agencies and local government bodies. Transactions and balances between the Group and these related parties are as follows:

	December 2014 \$'000	December 2013 \$'000	September 2014 \$'000
Loans to customers	2,276,124	2,515,494	2,111,816
Interest income	38,194	45,065	150,654
Customers' deposits	6,459,889	9,452,727	8,371,000
Interest expense	2,755	6,332	19,986
Investments	5,307,187	6,352,454	5,838,302
Investment income	50,994	76,934	180,006
Other funding instruments	1,344,968	1,021,355	2,125,294
Interest expense	3,265	1,623	17,381

**First Citizens Bank Limited and its Subsidiaries**  
**Unaudited Financial Statements**  
**For Three Months ended 31 December 2014**

**Notes to the Consolidated Financial Statements**

**6 Contingent Liabilities**

(a) **Litigation**

The Group is involved in claims and counterclaims arising from the conduct of its business. Based on the facts now known to the Group, the Directors believe that the outcome of these matters would not have a material adverse effect on the position of the Group.

**7 Segment Reporting**

The segmental information provided to the Executive Management for the reportable segments are as follows:

<b>Period ended 31 December 2014</b>	<b>Retail &amp; Corporate Banking \$'000</b>	<b>Treasury &amp; Investments Banking \$'000</b>	<b>Trustee &amp; Asset Management \$'000</b>	<b>Group functions \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>Total Net Income</b>	266,924	111,810	57,420	1,301	(7,332)	430,123
<b>Profit Before Taxation</b>	146,406	64,679	48,125	(44,544)	(322)	214,344
<b>Total Assets</b>	13,934,869	26,067,969	442,982	165,983	(3,565,915)	37,045,888
<b>Period ended 31 December 2013</b>	<b>Retail &amp; Corporate Banking \$'000</b>	<b>Treasury &amp; Investments Banking \$'000</b>	<b>Trustee &amp; Asset Management \$'000</b>	<b>Group functions \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>Total Net Income</b>	269,566	113,856	50,834	1,481	(7,581)	428,156
<b>Profit Before Taxation</b>	158,730	49,152	42,309	(40,579)	2,018	211,630
<b>Total Assets</b>	13,580,564	25,433,878	370,695	231,065	(3,582,033)	36,034,169
<b>Year ended 30 September 2014</b>	<b>Retail &amp; Corporate Banking \$'000</b>	<b>Treasury &amp; Investments Banking \$'000</b>	<b>Trustee &amp; Asset Management \$'000</b>	<b>Group functions \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>Total Net Income</b>	1,056,272	676,273	193,106	5,415	(249,947)	1,681,119
<b>Profit Before Taxation</b>	579,252	439,102	154,475	(170,104)	(230,150)	772,575
<b>Total Assets</b>	13,353,996	23,804,673	479,916	389,887	(3,170,504)	34,857,968