

Consolidated statement of financial position

As at December 31, 2013 (in '000 Antillean Guilders)

Assets	2013	2012
Cash and due from banks	297,529	275,102
Investment securities	239,828	289,463
Investment property	164,541	182,368
Loans and advances to customers	848,763	786,491
Bank premises and equipment	62,644	61,985
Deferred tax assets	5,098	5,098
Customers' liability under acceptances	7,096	6,203
Other assets	32,837	65,975
Total assets	1,658,336	1,672,685
Liabilities and Shareholders' equity	2013	2012
Liabilities		
Customers' deposits	1,365,237	1,386,499
Due to other banks	6,358	5,183
Acceptances outstanding	7,096	6,203
Deferred tax liabilities	2,366	2,366
Current tax liabilities	1,939	2,389
Payables and other financial liabilities	9,645	8,706
Provisions	1,584	5,019
Total liabilities	1,394,225	1,416,395
Shareholders' equity		
Issued capital	20,677	20,677
Share premium	75,750	75,750
General reserve	18,517	17,598
Other reserves	13,821	18,608
Retained earnings	135,346	123,657
Total shareholders' equity	264,111	256,290
Total liabilities and shareholders' equity	1,658,336	1,672,685

Consolidated income statement

For the year ended December 31, 2013 (in '000 Antillean Guilders)

	2013	2012
Interest income	73,763	73,228
Interest expense	29,700	31,115
Net interest income	44,063	42,113
Net Fee and commission income	12,011	11,831
Income from investment securities	34,712	36,397
Other operating income	1,486	758
Operating income	92,272	91,099
Salaries and other employee expenses	30,402	32,214
Occupancy expenses	4,206	4,106
Net impairment losses on loans and advances	74	4,997
Other operating expenses	25,844	19,696
Operating expenses	60,526	61,013
Profit before tax	31,746	30,086
Profit tax	1,162	1,386
Net profit for the year	30,584	28,700

Report of the independent auditor on the consolidated financial highlights

To the Shareholders and Board of Directors of Banco di Caribe N.V.

The accompanying consolidated financial highlights, which comprise the consolidated statement of financial position as at December 31, 2013, the consolidated income statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Banco di Caribe N.V. (the "Bank") for the year ended December 31, 2013. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated April 28, 2014. Those consolidated financial statements, and the consolidated financial highlights, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The consolidated financial highlights do not contain all the disclosures required by International Financial Reporting Standards. Reading the consolidated financial highlights, therefore, is not a substitute for reading the audited consolidated financial statements of the Bank.

Management's responsibility for the consolidated financial highlights

Management is responsible for the preparation of the consolidated financial highlights derived from the audited consolidated financial statements in accordance with the

Provisions for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, issued by the Central Bank of Curaçao and Sint Maarten (the "CBCS").

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial highlights based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

Opinion

In our opinion, the audited consolidated financial highlights derived from the audited consolidated financial statements of the Bank for the year ended December 31, 2013 are consistent, in all material respects, with those consolidated financial statements, in accordance with the Provisions for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, issued by the CBCS.

• Willemstad, Curaçao | April 28, 2014 •

KPMG Accountants B.V.
M.L.M. Kesselaer RA

Explanatory notes to the consolidated financial highlights of Banco di Caribe N.V.

A. Accounting policies

1. General

The principal accounting policies adopted in the preparation of the consolidated financial statements of Banco di Caribe N.V. and its subsidiaries (the "Bank") are set out below. These explanatory notes are an extract of the detailed notes included in the consolidated financial statements and are consistent in all material respects with those from which they have been derived.

2. Basis of preparation

The consolidated financial statements, from which these Consolidated Financial Highlights have been derived, have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The financial statements are prepared in thousands of Antillean Guilders (ANG). The policies used have been consistently applied by the Bank and are consistent, in all material respects, with those used in previous years.

For financial statement presentation purposes certain amounts of 2012 have been adjusted.

3. Basis of consolidation

Subsidiaries are those enterprises controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of the enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements incorporate the assets, liabilities, revenues and expenses of Banco di Caribe N.V. and its subsidiaries, except for the assets and liabilities of N.V. Trustmaatschappij van Banco di Caribe relating to the securities this subsidiary holds on behalf of its customers. The Bank is the sole shareholder of all of its subsidiaries. All significant intercompany assets, liabilities, revenues and expenses have been eliminated in preparing the consolidated financial statements. The most significant accounting policies are set out below.

• Investment securities

The Bank classifies its financial assets in the following categories: financial assets at fair value through profit or loss; available-for-sale financial assets and loans and advances.

• Fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value, with subsequent fair value changes recognized immediately in profit or loss. The Bank designates financial assets at fair value through profit or loss if the assets are managed, evaluated and reported internally on a fair value basis or if designation as such eliminates an accounting mismatch which would otherwise arise.

• Available-for-sale

Available-for-sale investments are non-derivative investments that are intended to be held for an indefinite period of time. Available-for-sale investments are initially recognized at fair value plus transaction cost, with fair value changes recognized directly in equity, until the investment is derecognized or impaired, whereupon the cumulative gains or losses previously recognized in equity are recognized in the income statement.

• Loans and advances to customers

Loans and advances are carried at amortized cost, less an allowance for possible loan losses. Changes in the total allowance for possible loan losses are charged to the income statement. Loans deemed uncollectible are charged-off against the allowance for possible loan losses. Subsequent recoveries are credited in the income statement.

• Net interest income

Interest income and expense is recognized as it accrues. Interest income arising from debt securities and deposits with other banks is recognized as it accrues, taking into effect the effective yield on the investment.

• Investment income

Investment income includes realized and unrealized result from fair value changes related to financial assets at fair value through profit or loss, realized result on available-for-sale securities, including impairment losses, gains and losses arising from the sale, revaluation of investment property.

B. Specification of accounts

(in '000 Antillean Guilders)

I. Assets

Investment securities	2013	2012
Available-for-sale securities	154,780	181,700
Fair value through profit or loss	85,048	107,763
Total investment securities	239,828	289,463
Loans and advances to customers	2013	2012
Retail customers	483,400	458,100
Corporate customers	431,237	392,991
Gross loans and advances to customers	914,637	851,091
Less: allowance for loan impairment	(65,873)	(64,600)
Net loans and advances to customers	848,763	786,491

II. Liabilities

Customers' deposits	2013	2012
Retail customers	452,656	573,922
Corporate customers	763,436	754,742
Other	149,145	57,835
Total customers' deposits	1,365,237	1,386,499



2013

Banco di Caribe N.V. Consolidated Financial Statements



BANCO DI CARIBE