



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, 2014, 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, 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated April 23, 2015. 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, 2014 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 23, 2015 •

KPMG Accountants B.V.
Lindomar L. P. Scoop RA

Consolidated statement of financial position

As at December 31, 2014 (in ‘000 Antillean Guilders)

Assets	2014	2013
Cash and due from banks	360,189	297,529
Investment securities	290,366	239,828
Investment property	102,821	164,541
Loans and advances to customers	832,673	845,763
Bank premises and equipment	66,877	62,644
Deferred tax assets	4,078	5,098
Customers’ liability under acceptances	10,122	7,096
Other assets	36,095	32,837
Total assets	1,703,221	1,655,336
Liabilities and Shareholders’ equity		
Liabilities		
Customers’ deposits	1,381,087	1,365,237
Due to other banks	–	6,358
Acceptances outstanding	10,122	7,096
Deferred tax liabilities	5,696	3,901
Current tax liabilities	1,265	1,939
Payables and other financial liabilities	13,928	9,645
Provisions	1,932	1,584
Total liabilities	1,414,030	1,395,760
Shareholders’ equity		
Issued capital	20,677	20,677
Share premium	75,750	75,750
General reserve	16,273	16,983
Other reserves	16,716	13,821
Retained earnings	159,775	132,345
Total shareholders’ equity	289,191	259,576
Total liabilities and shareholders’ equity	1,703,221	1,655,336

Consolidated income statement

For the year ended December 31, 2014 (in ‘000 Antillean Guilders)

	2014	2013
Interest income	69,953	73,763
Interest expense	25,779	29,700
Net interest income	44,174	44,063
Net Fee and commission income	14,582	11,040
Income from investment securities	32,581	34,712
Other operating income	1,265	1,486
Operating income	92,602	91,301
Salaries and other employee expenses	35,764	30,402
Occupancy expenses	4,003	4,206
Net impairment losses on loans and advances	3,614	74
Other operating expenses	20,854	25,844
Operating expenses	64,235	60,526
Profit before tax	28,367	30,775
Profit tax	1,531	1,318
Net profit for the year	26,836	29,457

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 2013 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	2014	2013
Available-for-sale securities	117,567	154,780
Fair value through profit or loss	172,799	85,048
Total investment securities	290,366	239,828
Loans and advances to customers	2014	2013
Retail customers	483,680	480,400
Corporate customers	426,770	431,236
Gross loans and advances to customers	910,450	911,636
Less: allowance for loan impairment	(77,777)	(65,873)
Net loans and advances to customers	832,673	845,763

II. Liabilities

Customers’ deposits	2014	2013
Retail customers	447,304	452,656
Corporate customers	801,923	763,436
Other	131,860	149,145
Total customers’ deposits	1,381,087	1,365,237



2014

Banco di Caribe N.V. Consolidated Financial Highlights

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