



# FINANCIAL RESULTS

For the six months ended March 31, 2013



BERMUDA COMMERCIAL BANK LIMITED

## **NOTICE TO READERS**

This report has been prepared for the three and six month periods ended March 31, 2013 and is current as at May 29, 2013. This report should be read in conjunction with the accompanying interim financial statements for the six months ended March 31, 2013.

# Chairman's Report

The Bank recorded profits of \$0.70 million for the March 31, 2013 quarter compared with a profit of \$2.44 million for the quarter ended March 31, 2012. Total revenues for the period were \$4.95 million compared to \$6.15 million in the prior year period.

Net income for the six months ended March 31, 2013 was \$5.08 million up from \$3.23 million for the six-month period ended March 31, 2012. Net interest income for the first half of the year was \$7.85 million compared to \$7.71 million for the prior year period. Non-interest income totaled \$6.16 million for the six months ended March 31, 2013 (2012: \$2.46 million) following strong gains from the Bank's financial investments.

## **INTEREST INCOME**

Interest income for the quarter was \$5.31 million compared to \$4.95 million last year resulting from increased interest on the Bank's financial investments portfolio.

Interest expense decreased to \$0.88 million from \$0.92 million in 2012. This decrease resulted from a slightly lower average interest rate on the Bank's term deposits.

## **NON-INTEREST INCOME**

Total non-interest income was \$0.53 million for the quarter compared with \$2.12 million in 2012. This decrease resulted from hedging timing differences and foreign exchange movements on the Bank's financial investments with underlying revenues showing a slight year on year improvement.

Fees and commissions increased slightly to \$0.93 million for the quarter from \$0.90 million a year earlier following an increase in trust fees.

Gains from the sale of financial investments were \$2.32 million for the quarter compared to gains of \$3.05 million last year. As part of BCB's risk and liquidity management process, portfolio securities are sold from time to time resulting in gains and losses for the Bank. With the Bank's investment portfolio currently performing strongly most sales during the quarter resulted in solid gains for the Bank. While welcome, these gains have inflated both the Bank's current and prior year quarterly revenues over normal expected levels.

The Bank incurred net exchange and derivative hedging costs of \$3.01 million mainly in relation to the hedging of its investment portfolio. This compares to a net hedging cost of \$2.12 million in 2012. These costs, primarily foreign exchange and equity index derivatives, reduce the risk associated with foreign currency and market price fluctuations. The costs should be measured in the context of our increased investment interest income, the gains on sale of investments, and the improvement in the unrealised investment position. For the current quarter, these costs offset the strong realised gains recorded on the Bank's investment portfolio.

## **EXPENSES**

Payroll costs for the quarter were \$2.36 million compared with \$2.13 million in the prior year. This increase resulted from an increased employee headcount following the broadening and strengthening of the Bank's employee base in response to increased customer numbers and expanding business requirements.

Amortisation costs increased from \$0.02 million in 2012 to \$0.12 million in 2013 primarily from amortisation charges associated with the purchase of BCB Paragon Trust Limited and BCB Charter Corporate Services Limited.

General and administrative expenses at \$1.69 million also increased relative to 2012 (\$1.45 million) due to increased costs associated with the operation of a larger and more diversified organisation. Investment advisory fees accounted for half the increase following the growth and strong performance of the Bank's investment portfolio, along with increased management and reporting requirements. Custody expenses, IT, and bank licence fees also increased over the prior year quarter.

## **FINANCIAL POSITION**

All changes in financial position are made in reference to the Bank's last audited financial statements as at September 30, 2012.

### **ASSETS**

Total assets increased to \$631.34 million at March 31, 2013 from \$572.01 million at September 30, 2012.

Cash, money market funds and term deposits increased to \$263.40 million from \$226.91 million at September 30, 2012 following an increase in customer deposit balances.

Financial investments increased to \$270.07 million from \$256.76 million at September 30, 2012. This increase resulted from improvements in the market valuations of the Bank's investment portfolio and the investment of new deposit funds. The Bank's financial investment portfolio consists primarily of corporate debt securities, debt securities issued by banks, along with a lesser percentage of asset-backed securities. The Bank also holds smaller portfolios of government debt, equities, and portfolio funds. Within each category, securities are heavily diversified across industry, currency, and jurisdiction. The Bank's strategy continues to encompass a low risk balance sheet with any future changes in the level of financial investments driven by the deposit activities of our customer base.

Loans and advances were \$43.03 million at March 31, 2013 up from \$34.16 million at year-end. The Bank is not active in the credit market, but we have provided a small number of loan and overdraft facilities. The increase resulted from new overdraft facilities and increased drawdown of existing loan and overdraft facilities.

Other balance sheet assets remained at similar levels to September 2012.

### **LIABILITIES**

Total customer deposit balances increased to \$510.32 million from \$457.54 million at September 30, 2012. This increase was driven by the operational activities of a small number of large customers and it is anticipated that balances will shortly revert to the previous year-end levels. Excluding these large transactional items, the Bank's customer position as measured by its key customer performance metrics - customer numbers and customer concentration, remained at similar levels to year-end.

Other balance sheet liabilities remained at similar levels to September 2012.

### **CAPITAL**

The Bank's capital position increased to \$112.09 million at March 31, 2013 from \$104.76 million at September 30, 2012. This improvement resulted primarily from unrealised mark to market gains on the Bank's financial investments portfolio.

The Bank's regulatory capital ratio was 20.44% at March 31, 2013 while the tier one ratio was 22.04%. The Bank's total risk weighted assets were \$406.96 million. BCB maintained its extremely conservative 'risk asset' leverage ratio of less than 4:1 comparing favourably to industry averages of more than 12:1. Risk assets include loans, mortgages and other investments and banks with a higher ratio of these risk assets to capital are more vulnerable to movements in valuation.

### **INTERIM DIVIDEND**


The Bank's Board of Directors has resolved that a half-year interim dividend of \$3.00 million will be paid to the Bank's parent company, Bermuda National Limited, as of June 3, 2013. The Bank's dividend process supports the

Bank's long standing policy of holding a level of capital which supports its business. The dividend payout amount will always take into consideration current period and expected future profits, the Bank's plans for growth and liquidity requirements. The Bank also strives to increase its capital base for large exposure and capital adequacy purposes. It is possible that the dividend to be paid up to our parent company will vary considerably depending on these items.

## **OUTLOOK**

The Bank's strategic focus is to deliver consistent, sustainable earnings over the long term. This focus guides our decision making and direction at Board and management level. The Bank is positioning itself to achieve these goals by expanding and strengthening our Bermuda operations, by consistently growing our capital base, and by maintaining our solid, well diversified balance sheet.

Our employees are at the forefront of the ongoing development of the Bank and on behalf of the Board I would like to thank them for their continued contribution to the organisation. In addition, we would also like to thank our shareholder group for their strong ongoing support.

A handwritten signature in black ink, appearing to read "J. Michael Collier", is written over a circular stamp or seal.

J. Michael Collier, JP  
Chairman

May 29, 2013

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars - unaudited)

<b>Assets</b>	<b>MAR 31, 2013</b>	<b>SEP 30, 2012*</b>
Cash and term deposits (Note 3):		
Due on demand	\$ 11,039,022	\$ 36,791,170
Term deposits	252,356,463	190,122,887
Total cash and term deposits	263,395,485	226,914,057
Derivative financial instruments	4,039,949	5,442,168
Interest receivable	3,450,739	4,206,083
Other assets	15,639,015	12,757,761
Investment securities (Note 4)	270,067,044	256,763,047
Loans and advances to customers (Note 5)	43,033,791	34,158,768
Investment in an associate	18,446,561	18,327,628
Property and equipment	3,304,177	3,433,039
Goodwill and other intangible assets	9,965,215	10,006,104
Total assets	\$ 631,341,976	\$ 572,008,655
<b>Liabilities</b>		
Deposits (Note 6):		
Demand deposits	\$ 247,068,020	\$ 207,025,252
Term deposits	263,248,294	250,510,105
Total deposits	510,316,314	457,535,357
Derivative financial instruments	-	4,541,914
Interest payable	3,010,982	2,413,707
Customer drafts payable	2,803,180	591,887
Other liabilities	3,124,734	2,169,723
Total liabilities	\$ 519,255,210	\$ 467,252,588
<b>Equity</b>		
Capital stock	\$ 16,807,963	\$ 16,807,963
Share premium	22,131,188	22,131,188
Reserves	13,587,200	8,337,762
Retained Earnings	59,560,415	57,479,154
Total equity	112,086,766	104,756,067
Total liabilities and equity	\$ 631,341,976	\$ 572,008,655

\*Audited

## CONSOLIDATED STATEMENT OF INCOME

(expressed in United States dollars - unaudited)

Income	For the three months ended		For the six months ended	
	MAR 31, 2013	MAR 31, 2012	MAR 31, 2013	MAR 31, 2012
Interest income:				
Cash and term deposits	\$ 80,825	\$ 122,784	\$ 168,334	\$ 285,411
Money market funds	7,176	15,433	59,042	27,593
Loans and advances to customers	1,523,811	477,838	1,633,857	729,490
Financial investments	3,693,287	4,330,793	7,778,068	8,433,454
Total interest income	5,305,099	4,946,848	9,639,301	9,475,948
Interest expense	(882,831)	(918,706)	(1,788,798)	(1,769,617)
Net interest income	4,422,268	4,028,142	7,850,503	7,706,331
Fees and commissions (Note 8)	928,258	899,984	1,974,110	2,066,383
Net exchange gains (losses)	(740,123)	316,435	(540,959)	(187,185)
Hedging of investment securities	(2,266,648)	(2,440,082)	(2,055,410)	(2,640,844)
Dividend income	213,149	188,211	366,150	198,435
Gain from sale of financial investments	2,315,105	3,053,350	7,417,889	2,794,267
Impairment losses on financial investments	-	-	(1,160,184)	-
Share of profit of an associate	59,450	59,450	118,900	118,900
Other operating income	20,758	47,025	41,477	111,549
Total income	4,952,217	6,152,515	14,012,476	10,167,836
<b>Expenses</b>				
Salaries and employee benefits	2,362,027	2,128,724	5,224,802	3,994,725
Depreciation	84,685	106,236	164,542	124,397
Amortisation	120,983	22,603	253,058	73,214
General and administrative expenses (Note 9)	1,689,547	1,453,908	3,288,813	2,743,592
Total expenses	4,257,242	3,711,471	8,931,215	6,935,928
Net income	\$ 694,975	\$ 2,441,044	\$ 5,081,261	\$ 3,231,908

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(expressed in United States dollars - unaudited)

Income	For the three months ended		For the six months ended	
	MAR 31, 2013	MAR 31, 2012	MAR 31, 2013	MAR 31, 2012
Net income for the period	\$ 694,975	\$ 2,441,044	\$ 5,081,261	\$ 3,231,908
Other comprehensive income (loss):				
Net gain (loss) on financial investments	1,437,936	11,740,111	12,667,327	10,918,656
Reclassification of gains realised in income	(2,315,105)	(3,053,350)	(7,417,889)	(2,794,267)
Other comprehensive (loss) income	(877,169)	8,686,761	5,249,438	8,124,389
Total comprehensive income	\$ (182,194)	\$ 11,127,805	\$ 10,330,699	\$ 11,356,297

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended March 31, 2013 (expressed in United States dollars - unaudited)

		CAPITAL STOCK		SHARE PREMIUM		TREASURY STOCK		RESERVES		RETAINED EARNINGS		TOTAL
October 1, 2011	\$	16,926,449	\$	22,487,690	\$	(526,517)	\$	(7,392,701)	\$	51,421,529	\$	82,916,450
Total comprehensive income								8,124,389		3,231,908		11,356,297
Dividends (Note 7)										(700,120)		(700,120)
Net purchase of treasury stock						(14,421)						(14,421)
March 31, 2012	\$	16,926,449	\$	22,487,690	\$	(540,938)	\$	731,688	\$	53,953,317	\$	93,558,206
October 1, 2012	\$	16,807,963	\$	22,131,188	\$	-	\$	8,337,762	\$	57,479,154	\$	104,756,067
Total comprehensive income								5,249,438		5,081,261		10,330,699
Dividends (Note 7)										(3,000,000)		(3,000,000)
Net purchase of treasury stock												-
March 31, 2013	\$	16,807,963	\$	22,131,188	\$	-	\$	13,587,200	\$	59,560,415	\$	112,086,766



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended March 31, 2013 (expressed in United States dollars - unaudited)

<b>Operating activities</b>	<b>MAR 31, 2013</b>	<b>MAR 31, 2012</b>
Net income	\$ 5,081,261	\$ 3,231,908
Adjustments to reconcile net income to cash flows used in operating activities:		
Depreciation	164,542	124,397
Amortisation	253,058	73,214
Share of profit of an associate	(118,900)	(239,500)
Gain on sale of investment securities	(7,417,889)	(2,794,267)
(Increase) decrease in derivative financial instruments	(3,139,695)	4,215,925
Impairment losses on financial investments	1,160,184	-
Decrease (increase) in interest receivable	755,344	(537,472)
Increase in other assets	(2,881,254)	(11,061,181)
Increase in interest payable	597,275	704,717
Increase (decrease) in customer drafts payable	2,211,293	(2,820,550)
Increase in other liabilities	955,011	2,697,060
Net cash provided by (used in) operating activities	(2,379,770)	(6,405,749)
<b>Investing activities</b>		
Net (increase) decrease in loans and advances to customers	(8,875,023)	4,521,560
Proceeds from sale of investment securities	73,128,505	36,357,738
Purchases of investment securities	(74,925,392)	(74,144,590)
Purchases of property and equipment	(35,680)	(3,268,686)
Purchases of goodwill and other intangible assets	(212,169)	(7,313,972)
Net cash used in investing activities	(10,919,759)	(43,847,950)
<b>Financing activities</b>		
Net increase (decrease) in deposits	52,780,957	(8,353,645)
Purchase of treasury stock	-	(14,421)
Dividends paid	(3,000,000)	(700,120)
Net cash provided by (used in) financing activities	49,780,957	(9,068,186)
Net increase (decrease) in cash and cash equivalents	36,481,428	(59,321,885)
Cash and cash equivalents, beginning of period	226,914,057	273,293,269
Cash and cash equivalents, end of period	\$ 263,395,485	\$ 213,971,384

# **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the six months ended March 31, 2013 (expressed in United States dollars - unaudited)**

## **1. Basis of Preparation**

These interim consolidated financial statements for the six month period ended March 31, 2013 have been prepared in accordance with International Accounting Standards (IAS 34), Interim Financial Reporting.

These interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Bank's annual financial statements for the year ended September 30, 2012.

The Bank's interim results are not materially affected by seasonal factors.

## **2. Significant Accounting Policies**

The accounting policies used in the preparation of these interim consolidated financial statements are consistent with those used in the Bank's annual financial statements for the year ended September 30, 2012.

### 3. Cash and Term Deposits

Cash and term deposits include:

	<b>MAR 31, 2013</b>	<b>SEP 30, 2012*</b>
Cash and demand deposits	\$ 11,039,022	\$ 36,791,170
Term deposits:		
Deposits maturing - within 1 month	252,356,463	190,122,887
Deposits maturing - 1-3 months	-	-
Deposits maturing - 3-12 months	-	-
Total Term Deposits	252,356,463	190,122,887
Total	\$ 263,395,485	\$ 226,914,057

\* Audited

#### 4. Investment securities

##### *Available-for-sale investment securities*

The fair values of available-for-sale investment securities by major classifications of investment securities were as follows:

	<b>MAR 31, 2013</b>	<b>SEP 30, 2012*</b>
Debt securities issued by banks	\$ 22,700,227	\$ 32,773,279
Corporate debt securities	66,412,890	42,515,821
Asset-backed securities	39,612,875	32,621,588
Equities	19,751,101	27,195,270
Portfolio funds	21,591,941	10,537,000
	<b>\$ 170,069,034</b>	<b>\$ 145,642,958</b>

##### *Held-to-maturity investment securities*

The amortised cost amounts of held-to-maturity investment securities by major classifications of investment securities were as follows:

	<b>MAR 31, 2013</b>	<b>SEP 30, 2012*</b>
Government debt securities	\$ 3,727,575	\$ 3,375,133
Debt securities issued by banks	35,867,063	34,937,091
Corporate debt securities	46,304,557	56,702,008
Asset-backed securities	14,098,815	16,105,857
	<b>\$ 99,998,010</b>	<b>\$ 111,120,089</b>
Total investment securities	<b>\$ 270,067,044</b>	<b>\$ 256,763,047</b>

\* Audited

## 5. Loans and Advances to Customers

Loans and advances to customers and the allowance for loan losses at March 31, 2013 were as follows:

	MAR 31, 2013			SEP 30, 2012*		
	GROSS	ALLOWANCE	NET	GROSS	ALLOWANCE	NET
Commercial overdrafts	\$ 24,178,379	\$ -	\$ 24,178,379	\$ 18,355,735	\$ -	\$ 18,355,735
Commercial loans	18,242,019	-	18,242,019	15,320,258	-	15,320,258
Consumer mortgage loans	400,085	50,000	350,085	388,925	50,000	338,925
Credit cards	80,592	-	80,592	118,470	-	118,470
Others	182,716	-	182,716	25,380	-	25,380
Total	\$ 43,083,791	\$ 50,000	\$ 43,033,791	\$ 34,208,768	\$ 50,000	\$ 34,158,768

Allowance for loan losses consists of:

	MAR 31, 2013	MAR 31, 2012
Balance at beginning of period	\$ 50,000	\$ 50,000
Credit loss during the period	-	-
Credit loss recovery during the period	-	-
	\$ 50,000	\$ 50,000

\* Audited

## 6. Deposits

	<b>MAR 31, 2013</b>	<b>SEP 30, 2012*</b>
Demand deposits	\$ 247,068,020	\$ 207,025,252
Term deposits:		
Deposits maturing - within 1 month	129,632,547	106,981,836
Deposits maturing - 1-3 months	29,705,917	52,874,340
Deposits maturing - 3-12 months	25,000,799	26,473,287
Deposits maturing - 1-5 years	78,909,031	64,180,642
	263,248,294	250,510,105
Total	\$ 510,316,314	\$ 457,535,357

\* Audited

## 7. Dividends

Dividends on ordinary shares declared and paid during the six month period:

Final dividend for 2012: \$3,000,000 (2011: \$700,120)

## 8. Fees and Commissions

	For the three months ended		For the six months ended	
	MAR 31, 2013	MAR 31, 2012	MAR 31, 2013	MAR 31, 2012
Corporate services	\$ 381,711	\$ 447,166	\$ 1,004,856	\$ 1,114,072
Trust	328,187	253,189	724,000	594,356
Banking services	218,360	199,629	245,254	357,955
	\$ 928,258	\$ 899,984	\$ 1,974,110	\$ 2,066,383

## 9. General and Administrative Expenses

	For the three months ended		For the six months ended	
	MAR 31, 2013	MAR 31, 2012	MAR 31, 2013	MAR 31, 2012
Rent and premises	\$ 219,740	\$ 234,387	\$ 426,230	\$ 449,387
Advertising and marketing	104,522	125,469	233,630	240,212
Professional fees	85,277	74,169	147,961	180,266
Information technology and systems	199,868	192,467	367,630	348,552
Banking services and license	212,956	162,382	404,730	386,965
Investment advisory fees	320,728	211,379	685,728	340,836
Board costs	48,351	60,813	96,702	109,164
Administrative	498,072	392,842	926,169	688,210
	\$ 1,689,514	\$ 1,453,908	\$ 3,288,780	\$ 2,743,592

## 10. Segment information

For management purposes, the Bank is organised into five business segments:

### **Banking Services**

The Banking Services segment is responsible for corporate, institutional and individual customers' deposits, credit facilities and funds transfer facilities.

### **Investment Management**

Customer funds deposited with the Bank are invested in a diversified portfolio of financial investments to obtain the maximum possible returns for the minimum necessary risk.

### **Corporate Services**

The Corporate Services segment provides company management, asset management, corporate registrar, financial, and custody services to third parties as well as to the Bank's other segments.

### **Trust**

The Trust segment provides trust administration services to third parties.

### **General and Administrative**

Operating expenses including finance and other central functions that are not directly attributable to other business segments are recorded in the General and Administrative segment.

Management monitors the operating results of these business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

The Bank operates in a single jurisdiction, Bermuda, and therefore no geographical information is presented. The Bank has subsidiaries in Luxembourg, Cayman Islands and Mauritius, but does not offer banking or other services in these jurisdictions. The assets, liabilities and results of these entities are incorporated into the segment information. No single customer accounted for 10% or more of the Bank's revenues for the period.

The following table presents income and expense and certain asset and liability information regarding the Bank's business segments:

#### For the six months ended MAR 31, 2013

	BANKING SERVICES	INVESTMENT MANAGEMENT	CORPORATE SERVICES	TRUST	GENERAL & ADMINISTRATIVE	ELIMINATION OF INTER-SEGMENT AMOUNTS	TOTALS
Net Interest Income from external customers	\$ 72,435	\$ 7,778,095	\$ (27)	\$ -	\$ -	\$ -	\$ 7,850,503
Fees and other income from external customers	284,876	(174,809)	1,006,711	724,000	-	-	1,840,778
Hedging of investment securities	-	(2,055,410)	-	-	-	-	(2,055,410)
Gains from sale of investment securities	-	7,417,889	-	-	-	-	7,417,889
Share of profit of an associate	-	118,900	-	-	-	-	118,900
Impairment losses on financial investments	-	(1,160,184)	-	-	-	-	(1,160,184)
Inter-segment fees and other income	-	-	12,000	-	-	(12,000)	-
<b>Total income</b>	<b>357,311</b>	<b>11,924,481</b>	<b>1,018,684</b>	<b>724,000</b>	<b>-</b>	<b>(12,000)</b>	<b>14,012,476</b>
Depreciation	(83,968)	-	(6,500)	-	(74,074)	-	(164,542)
Amortisation	-	-	(69,201)	(69,201)	(114,656)	-	(253,058)
Operating expenses	(3,013,154)	(845,666)	(1,174,128)	(808,960)	(2,683,674)	12,000	(8,513,582)
<b>Net income</b>	<b>\$ (2,739,811)</b>	<b>\$ 11,078,815</b>	<b>\$ (231,145)</b>	<b>\$ (154,161)</b>	<b>\$ (2,872,404)</b>	<b>\$ -</b>	<b>\$ 5,081,294</b>
<b>Segment assets</b>	<b>\$ 323,321,310</b>	<b>\$ 302,289,666</b>	<b>\$ 5,877,881</b>	<b>\$ 8,262,566</b>	<b>\$ 6,470,089</b>	<b>\$ (14,879,536)</b>	<b>\$ 631,341,976</b>
<b>Segment liabilities</b>	<b>\$ 531,893,059</b>	<b>\$ (6,230,363)</b>	<b>\$ 1,597,897</b>	<b>\$ 1,513,413</b>	<b>\$ 2,949,109</b>	<b>\$ (12,467,938)</b>	<b>\$ 519,255,177</b>



**11. Segment information, (continued)**

For the six months ended MAR 31, 2012

	<b>BANKING SERVICES</b>	<b>INVESTMENT MANAGEMENT</b>	<b>CORPORATE SERVICES</b>	<b>TRUST</b>	<b>GENERAL &amp; ADMINISTRATIVE</b>	<b>ELIMINATION OF INTER-SEGMENT AMOUNTS</b>	<b>TOTALS</b>
Net Interest Income from external customers	\$ (727,190)	\$ 8,433,457	\$ 64	\$ -	\$ -	\$ -	\$ 7,706,331
Fees and other income from external customers	410,021	11,250	1,173,555	594,356	-	-	2,189,182
Hedging of investment securities	-	(2,640,844)	-	-	-	-	(2,640,844)
Gains from sale of investment securities	-	2,794,267	-	-	-	-	2,794,267
Share of profit of an associate	-	118,900	-	-	-	-	118,900
Inter-segment fees and other income	-	-	15,501	-	-	(15,501)	-
<b>Total income</b>	<b>(317,169)</b>	<b>8,717,030</b>	<b>1,189,120</b>	<b>594,356</b>	<b>-</b>	<b>(15,501)</b>	<b>10,167,836</b>
Depreciation	(49,878)	-	(6,500)	-	(68,019)	-	(124,397)
Amortisation	-	-	-	-	(73,214)	-	(73,214)
Operating expenses	(2,369,789)	(465,286)	(1,206,144)	(537,384)	(2,175,215)	15,501	(6,738,317)
<b>Net income</b>	<b>\$ (2,736,836)</b>	<b>\$ 8,251,744</b>	<b>\$ (23,524)</b>	<b>\$ 56,972</b>	<b>\$ (2,316,448)</b>	<b>\$ -</b>	<b>\$ 3,231,908</b>
<b>Segment assets</b>	<b>\$ 271,611,073</b>	<b>\$ 293,558,145</b>	<b>\$ 4,703,134</b>	<b>\$ 7,139,733</b>	<b>\$ 6,476,521</b>	<b>\$ (11,479,951)</b>	<b>\$ 572,008,655</b>
<b>Segment liabilities</b>	<b>\$ 464,121,469</b>	<b>\$ 9,498,083</b>	<b>\$ 490,517</b>	<b>\$ 236,418</b>	<b>\$ 2,949,109</b>	<b>\$ (10,043,008)</b>	<b>\$ 467,252,588</b>

REGISTERED ADDRESS

BERMUDA COMMERCIAL BANK BUILDING  
19 PAR-LA-VILLE ROAD  
HAMILTON HM 11  
BERMUDA

MAILING ADDRESS

P.O. BOX HM 1748  
HAMILTON HM GX  
BERMUDA

T: +1 (441) 295-5678

F: +1 (441) 296-0601

W: [WWW.BCB.BM](http://WWW.BCB.BM)

E: [ENQUIRIES@BCB.BM](mailto:ENQUIRIES@BCB.BM)