



## PRINCIPAL OFFICERS

- 1 Ryan Devaux**  
Chartered Accountant - General Manager
- 2 David Lum Kong**  
BA, ACIB - Senior Manager  
Operations & Business Development
- 3 Gifita Dujon-Francois**  
BSc., MICA - Compliance Manager
- 4 David Barron**  
TEP - Director Business Development (Europe)
- 5 Arletta Huntley-Wells**  
BSc., MBA, FCCA - Financial Controller

Bank of Saint Lucia International Limited (BOSLIL), the international offshore banking subsidiary within the Group, has had another successful year despite the significant economic events unfolding internationally. Although the growth planned for was not achieved through prudent risk management the Bank avoided investments in structured finance products. The philosophy of delivering “good old-fashioned banking” and remaining true to core principles of prudent and conservative banking is now coming back to the fore for the rest of industry. There is significant opportunity for BOSLIL given that it has never deviated from this strategy.

Total assets at December 31, 2008 of US \$111 million (EC \$301 million) decreased by US \$46 million (EC \$124 million) relative to US \$157 million (EC \$424 million) at December 31, 2007. This decrease related to one significant transaction which the Bank was facilitating. Adjusting for this event, BOSLIL was actually able to grow its balance sheet through 2008 which is quite an achievement. Customer deposits moved in line with the change in assets from US \$149 million (EC \$401 million) to US \$103 million (EC \$278 million). BOSLIL generated profitability consistent with 2007 with actual net income of US \$1.43 million (EC \$3.85 million) for the year ended December 31, 2008 as compared to US \$1.58 million (EC \$4.27 million) for the previous year. This result represents approximately 7.5% of the Group's net income before tax as compared to 8.7% the prior year.

Consistent with the continued expansion of the product range into wealth management and structured finance, net fee and commission income increased from 18% in 2007 to 22% of total operating income in 2008. In keeping with the conservative investment policies of the Bank and its commitment to protecting its clients' capital, the Bank was not affected financially by any of the turmoil unfolding in global financial markets and maintained a very conservative balance sheet with 51.7% (2007 – 74.6%) of total assets consisting of cash and cash equivalents.

Following the expansion of human resource capital in 2007 and with the operational and compliance teams now well established with well trained and experienced staff, 2008 brought focus to the expansion of the business development team of the Bank. Three new resources were added, including two recently retired offshore bankers, who bring significant experience and will lead sales initiatives in Europe and South America respectively. Emphasis was also placed on enhancing the existing products of the Bank and on the development of new products and services for 2009.

On the investment relationship front, the focus for 2008 was on enhancing the significant number of new relationships that were developed in 2007 and adding a few new relationships subject to acceptable credit ratings. We continued to expand our relationships with intermediary groups which remain the most important source of growth for the bank. New relationships were



formed in Europe, South America and the Caribbean and it expected that this thrust will continue.

Within St. Lucia, BOSLIL remained the dominant offshore bank and continues to deliver an excellent service by international standards. It also continues to enjoy very strong relationships with all of the local registered agents who have come to depend on the consistent and reliable service delivered. Relationships with other important stakeholders, including regulators, remain healthy and active. Significant efforts have also continued with promoting the BOSLIL brand internationally and in that regard articles, speaking and/or exhibiting at international conferences, advertising and promotional traveling continue on a regular basis.

BOSLIL's Tier I capital ratio at December 31, 2008 was 7.57% (2007 – 10.22%) well above statutory

requirements.

Going into 2009, the Bank will continue to pursue the opportunities we have identified for growth. These include:

- 1) enhanced and more structured efforts of introducing the Preferred Professional Programme to intermediaries
- 2) the launch of new products including fiduciary deposits and mutual funds
- 3) the launch of BOSLIL in Uruguay as a platform for growth into South America
- 4) the hiring of experienced staff to continue building capacity and the growth potential of the Bank
- 5) forming strategic partnerships and alliances to enhance the service capability of BOSLIL.

**BANK OF SAINT LUCIA INTERNATIONAL LIMITED  
FINANCIAL STATEMENT HIGHLIGHTS AT DECEMBER 31, 2008**

	2008 US \$000	2007 US \$000
<b>Assets</b>		
Investments	96,273	143,623
Other	15,072	13,789
<b>Liabilities and Equity</b>		
Customer deposits	92,189	138,351
Other liabilities	13,740	14,166
Equity	5,415	4,895
<b>Total Assets/Liabilities &amp; Shareholder's Equity</b>	<b>111,344</b>	<b>157,412</b>
<b>Statement of Income</b>		
Net Operating Income	3,575	3,386
Total Expenses	2,148	1,829
<b>Net income after tax</b>	<b>1,427</b>	<b>1,557</b>

