



**BANK OF SAINT LUCIA
INTERNATIONAL LIMITED**



Ryan Devaux
General Manager



Jodi Boodhoo
Business Development Manager



Arletta Huntley-Wells
Finance and Operations Manager

REPORT ON SUBSIDIARIES

BOARD OF DIRECTORS

Marius St. Rose - Chairman
Robert Norstrom - Director
Vern Gill - Director
Thecla Deterville - Director
George Lewis - Director
James Wadham - Director
Estherlita Cumberbatch - Corporate Secretary

PRINCIPAL OFFICERS

Ryan Devaux Chartered Accountant
General Manager
Jodi Boodhoo BA, LLB, LLM
Business Development Manager
Arletta Huntley-Wells MBA, ACCA
Finance and Operations Manager

Bank of Saint Lucia International Limited (BOSLIL), the Group's international offshore banking service provider, has had a very successful year. The year 2005 represented a turnaround for the Company as it began to develop a positive reputation on the international offshore banking market which was further strengthened by the attractiveness of Saint Lucia as an offshore jurisdiction. From a small deposit base of approximately US\$2 million or EC \$5.3 million at the end of 2004, the company was able to grow its deposit to reach US\$37.5 million or EC\$101 million. BOSLIL has reported two successive months of positive net income with anticipated positive profitability and asset growth expected in 2006.

Beyond its contribution to the Group, the company's responsibilities include its continued efforts to develop and promote Saint Lucia's offshore financial services sector, and in particular the offshore banking sector.

Recognizing the difficulty of penetrating such a sophisticated market, BOSLIL entered into a strategic alliance with a reputable international financial services group. This alliance has provided new access to a number of international markets. As a consequence, BOSLIL now conducts banking transactions for customers in at least 10 international currencies. With these developments, the Bank is now recognized as a critical player in the Saint Lucia offshore banking jurisdiction and is positioned as one of the leading offshore banks in the OECS region. The Bank is expected to contribute significantly to the Group's profits over the coming years.

BOSLIL's focus for 2006 will remain on continuing to build excellent relationships with local registered agents while efforts will continue to promote the Bank and Saint Lucia internationally. In this regard,

the Bank will continue to focus on delivering new and innovative products with the highest levels of customer service. The Bank will continue to develop its people, creating new opportunities for them to learn and grow in this very lucrative market.

Although its captive market is offshore the BOSLIL recognizes that there is still a need to contribute to the development of its jurisdiction locally. In this regard, BOSLIL sponsored the Atlantic Rally for Cruisers, an internationally renowned yachting race culminating in Saint Lucia, as well as the Gros Islet Rotary Golf Tournament, the proceeds of which go to several worthy charities. At year end the staff also gets involved in providing hampers to deserving families.

Financial Statement

	2005 US \$000	2004 US \$000
Assets		
Investments	34,121	1,435
Other	5,526	1,636
Liabilities and Equity		
Deposits to customers	34,479	1,737
Other Liabilities	3,270	113
Equity	1,898	1,221
Total Assets/Liabilities	39,647	3,071
Statement of Income		
Total Income	749	34
Total Expenses	1071	788
Net income after tax	(322)	(754)

