

**PUBLIC DISCLOSURE AUTHORISED**

**CARIBBEAN DEVELOPMENT BANK**



Statement of Financial Position (Unaudited)

For the Six Months Ended June 30, 2016

*(Expressed in thousands of United States Dollars unless otherwise stated)*

This Document is being made publicly available in accordance with the Bank's Information Disclosure Policy.

**October 2016**

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2016**  
(expressed in thousands of United States dollars)

|   | <u>2016</u>               | <u>December 31,<br/>2015</u> |
|---|---------------------------|------------------------------|
| <b>Assets</b>   |                           |                              |
| <b>Cash Resources</b>                                   |                           |                              |
| Cash and cash equivalents                               | \$53,799                  | \$65,412                     |
| <b>Investments</b>                                      |                           |                              |
| Debt securities at fair value through profit or loss    | 267,486                   | 213,765                      |
| <b>Receivables and Prepaid assets</b>                   | 5,396                     | 11,396                       |
| <b>Loans</b>  |                           |                              |
| Loans outstanding                                       | 1,006,221                 | 992,530                      |
| <b>Derivative financial instruments</b>                 |                           |                              |
| Cross currency interest rate swaps & Interest rate swap | 108,898                   | 56,251                       |
| <b>Receivable from members</b>                          |                           |                              |
| Non-negotiable demand notes                             | 45,243                    | 45,746                       |
| Maintenance of value on currency holdings               | 5,087                     | 4,606                        |
| Subscriptions in arrears                                | 19,660                    | 5,590                        |
|   | <u>69,990</u>             | <u>55,942</u>                |
| <b>Other assets</b>                                     |                           |                              |
| Property and equipment                                  | 12,447                    | 11,767                       |
| <b>Total assets</b>                                     | <u><u>\$1,524,237</u></u> | <u><u>\$1,407,063</u></u>    |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2016**  
(expressed in thousands of United States dollars)

|   | <b>2016</b>        | December 31,<br>2015 |
|---|--------------------|----------------------|
| <b>Liabilities and Equity</b>                           |                    |                      |
| <b>Liabilities</b>                                      |                    |                      |
| Accounts payable and accrued liabilities                | <b>\$2,372</b>     | \$7,503              |
| Subscriptions in advance                                | <b>69</b>          | 4,326                |
| Deferred income   | <b>875</b>         | 875                  |
| Post-employment obligations                             | <b>17,655</b>      | 17,655               |
| <b>Borrowings</b>                                       |                    |                      |
| Short term facility                                     | 30,000             | -                    |
| Long term borrowings                                    | 527,900            | 502,752              |
|   | <b>557,900</b>     | 502,752              |
| <b>Total Liabilities</b>                                | <b>578,871</b>     | 533,111              |
| <b>Equity</b>   |                    |                      |
| Capital stock   |                    |                      |
| Authorised capital - 312,971 (2015 - 312,971) shares    |                    |                      |
| Subscribed capital - 279,399 (2015 - 270,292) shares    | <b>1,763,656</b>   | 1,763,656            |
| Less callable capital - 218,050 (2015 - 210,943) shares | <b>(1,375,135)</b> | (1,375,135)          |
| Paid-up capital - 61,349 (2015 - 59,349) shares         | <b>388,521</b>     | 388,521              |
| Less subscriptions not yet matured                      | <b>(9,248)</b>     | (45,197)             |
| Subscriptions matured                                   | <b>379,273</b>     | 343,324              |
| Retained earnings & Reserves                            | <b>566,093</b>     | 530,628              |
| <b>Total Equity</b>                                     | <b>945,366</b>     | 873,952              |
| <b>Total Liabilities and Equity</b>                     | <b>\$1,524,237</b> | \$1,407,063          |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|                                    | <b>Capital<br/>Stock</b> | <b>Retained<br/>Earnings</b> | <b>Post Employment<br/>Obligations</b> | <b>Other<br/>Reserves</b> | <b>Total</b>     |
|------------------------------------|--------------------------|------------------------------|--|---------------------------|------------------|
| Balance at January 1, 2015         | \$299,468                | \$520,600                    | \$(11,777)                             | \$13,260                  | \$821,551        |
| New capital subscriptions          | 41,301                   | -                            | -                                      | -                         | 41,301           |
| Allocation from net income         | -                        | (6,000)                      | -                                      | -                         | (6,000)          |
| Net income for the period          | -                        | 5,863                        | -                                      | -                         | 5,863            |
| <b>Balance as of June 30, 2015</b> | <b>\$340,769</b>         | <b>\$520,463</b>             | <b>\$(11,777)</b>                      | <b>\$13,260</b>           | <b>\$862,715</b> |
| Balance at January 1, 2016         | \$343,324                | \$530,642                    | \$(13,274)                             | \$13,260                  | \$873,952        |
| New capital subscriptions          | 36,290                   | -                            | -                                      | -                         | 36,290           |
| Prepayment discount                | (341)                    | -                            | -                                      | -                         | (341)            |
| Net income for the period          | -                        | 35,465                       | -                                      | -                         | 35,465           |
| <b>Balance as of June 30, 2016</b> | <b>\$379,273</b>         | <b>\$566,107</b>             | <b>\$(13,274)</b>                      | <b>\$13,260</b>           | <b>\$945,366</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|   | <b>2016</b>     | <b>2015</b> |
|---|-----------------|-------------|
| <b>Interest and similar income</b>                            |                 |             |
| Loans   | <b>\$15,822</b> | \$19,414    |
| Investments and cash balances                                 | <b>1,500</b>    | 1,221       |
|   | <b>17,322</b>   | 20,635      |
| <b>Interest expense and similar charges</b>                   |                 |             |
| Borrowings  | <b>9,946</b>    | 9,941       |
| Other financial income  | <b>(4,570)</b>  | (5,802)     |
|   | <b>5,376</b>    | 4,139       |
| <b>Net interest income</b>                                    | <b>11,946</b>   | 16,496      |
| <b>Other (income)/expenses</b>                                |                 |             |
| Other income  | <b>(592)</b>    | (647)       |
| Realised and unrealised fair value gains                      | <b>(2,960)</b>  | (667)       |
| Administrative expenses                                       | <b>5,969</b>    | 5,759       |
| Foreign exchange translation                                  | <b>(476)</b>    | 859         |
|   | <b>1,941</b>    | 5,304       |
| <b>Operating income</b>                                       | <b>10,005</b>   | 11,192      |
| Derivative fair value adjustment                              | <b>52,647</b>   | (9,319)     |
| Foreign exchange (loss)/gain in translation on Yen borrowings | <b>(27,187)</b> | 3,990       |
|   | <b>25,460</b>   | (5,329)     |
| <b>Total comprehensive income for the period</b>              | <b>\$35,465</b> | \$5,863     |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
(expressed in thousands of United States dollars)

|   | <b>Apr - Jun<br/>2016</b> | <b>Apr - Jun<br/>2015</b> |
|---|---------------------------|---------------------------|
| <b>Interest and similar income</b>                            |                           |                           |
| Loans   | \$7,906                   | \$9,228                   |
| Investments and cash balances                                 | 764                       | 596                       |
|   | <u>8,670</u>              | <u>9,824</u>              |
| <b>Interest expense and similar charges</b>                   |                           |                           |
| Borrowings  | 4,919                     | 4,986                     |
| Other financial income  | (2,495)                   | (2,804)                   |
|   | <u>2,424</u>              | <u>2,182</u>              |
| <b>Net interest income</b>                                    | <u>6,246</u>              | <u>7,642</u>              |
| <b>Other (income)/expenses</b>                                |                           |                           |
| Other income  | (135)                     | (283)                     |
| Realised and unrealised fair value (gains)/losses             | (1,232)                   | 548                       |
| Administrative expenses                                       | 2,567                     | 2,998                     |
| Foreign exchange translation                                  | (48)                      | 14                        |
|   | <u>1,152</u>              | <u>3,277</u>              |
| <b>Operating income</b>                                       | <u>5,094</u>              | <u>4,365</u>              |
| <b>Derivative adjustments</b>                                 |                           |                           |
| Derivative fair value adjustment                              | 22,792                    | (15,899)                  |
| Foreign exchange (loss)/gain in translation on Yen borrowings | (15,794)                  | 3,368                     |
|   | <u>6,998</u>              | <u>(12,531)</u>           |
| <b>Total comprehensive income/(loss) for the period</b>       | <u>\$12,092</u>           | <u>\$(8,166)</u>          |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|  | <u>2016</u>            | <u>2015</u>            |
|--|------------------------|------------------------|
| <b>Operating activities:</b>   |                        |                        |
| Net income for the period  | \$35,465               | \$5,863                |
| Adjustments for non cash items:  |                        |                        |
| Unrealised gain on debt securities   | (2,960)                | (639)                  |
| Depreciation   | 490                    | 560                    |
| Amortization of bond   | (484)                  | -                      |
| Derivative fair value adjustment   | (52,647)               | 9,319                  |
| Interest income  | (17,322)               | (20,635)               |
| Interest expense   | 5,376                  | 4,139                  |
| Foreign exchange loss/(gain) in translation on Yen borrowings  | 28,347                 | (3,990)                |
| Increase in maintenance of value on currency holdings  | (481)                  | (873)                  |
| Gain on disposal of asset  | (18)                   | -                      |
| Decrease in net interest costs related to post-employment obligations  | -                      | -                      |
| Net foreign exchange difference  | -                      | -                      |
| <i>Total cash flows used in operating profits before changes<br/>    in operating assets and liabilities</i> | <u>(4,234)</u>         | <u>(6,256)</u>         |
| Decrease in receivables and prepaid assets   | 6,000                  | 655                    |
| Decrease in accounts payable and accrued liabilities   | (5,131)                | (650)                  |
| Net (increase)/decrease in debt securities at fair value through profit and loss                             | (50,582)               | 27,362                 |
| <i>Cash (used in)/provided by operating activities</i>   | <u>(53,947)</u>        | <u>21,111</u>          |
| Disbursements on loans   | (67,724)               | (14,889)               |
| Principal repayments to the Bank on loans  | 53,160                 | 38,257                 |
| Interest received  | 18,016                 | 21,818                 |
| <i>Net cash (used in)/provided by operating activities</i>   | <u>(50,495)</u>        | <u>66,297</u>          |
| <b>Investing activities:</b>   |                        |                        |
| Purchase of property and equipment   | (1,170)                | (1,956)                |
| Proceeds from sale of property and equipment   | 18                     | -                      |
| <i>Net cash used in investing activities</i>   | <u>(1,152)</u>         | <u>(1,956)</u>         |
| <b>Financing activities:</b>   |                        |                        |
| Borrowings:  |                        |                        |
| New borrowings   | 59,348                 | -                      |
| Repayments on borrowings   | (32,216)               | (31,659)               |
| Interest paid on borrowings  | (5,223)                | (4,146)                |
| Allocation of net income   | -                      | (6,000)                |
| New capital subscriptions  | 36,290                 | 41,301                 |
| Prepayment discounts   | (341)                  | -                      |
| Decrease in Subscriptions in advance   | (4,257)                | (4,424)                |
| Increase in receivables from members   | (13,567)               | (8,550)                |
| <i>Net cash provided by/(used in) financing activities</i>   | <u>40,034</u>          | <u>(13,478)</u>        |
| Net (decrease)/increase in cash and cash equivalents   | (11,613)               | 50,863                 |
| Cash and cash equivalents at beginning of year   | 65,412                 | 34,202                 |
| <b>Cash and cash equivalents at end of period</b>  | <u><u>\$53,799</u></u> | <u><u>\$85,065</u></u> |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF INVESTMENTS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 1

|                            | 2016             |                |                |                  |                  |
|----------------------------|------------------|----------------|----------------|------------------|------------------|
|                            | USD              | EUR            | CAD            | Other Currencies | All Currencies   |
| Obligations guaranteed by  |                  |                |                |                  |                  |
| Governments                | \$150,453        | \$1,114        | \$5,357        | \$-              | \$156,924        |
| Multilateral organisations | 75,403           | 5,658          | 1,083          | -                | 82,144           |
| Time deposits              | 21,538           | -              | -              | 6,280            | 27,818           |
| Sub-total                  | 247,394          | 6,772          | 6,440          | 6,280            | 266,886          |
| Accrued interest           | 574              | 8              | 16             | 2                | 600              |
| <b>Total</b>               | <b>\$247,968</b> | <b>\$6,780</b> | <b>\$6,456</b> | <b>\$6,282</b>   | <b>\$267,486</b> |

|                            | December 31, 2015 |                |                |                  |                  |
|----------------------------|-------------------|----------------|----------------|------------------|------------------|
|                            | USD               | EUR            | CAD            | Other Currencies | All Currencies   |
| Obligations guaranteed by  |                   |                |                |                  |                  |
| Governments                | \$128,542         | \$1,091        | \$5,001        | \$-              | \$134,634        |
| Multilateral organisations | 44,375            | 5,557          | 1,005          | -                | 50,937           |
| Time deposits              | 21,477            | -              | -              | 6,296            | 27,773           |
| Sub-total                  | 194,394           | 6,648          | 6,006          | 6,296            | 213,344          |
| Accrued interest           | 394               | 10             | 15             | 2                | 421              |
| <b>Total</b>               | <b>\$194,788</b>  | <b>\$6,658</b> | <b>\$6,021</b> | <b>\$6,298</b>   | <b>\$213,765</b> |

**RESIDUAL TERM TO CONTRACTUAL MATURITY**

|                               | 2016             | 2015             |
|-------------------------------|------------------|------------------|
| One month to three months     | \$52,188         | \$22,970         |
| Over three months to one year | 30,710           | 43,879           |
| Over one year to five years   | 155,996          | 122,469          |
| Over five years to ten years  | 28,592           | 24,447           |
| <b>Total</b>                  | <b>\$267,486</b> | <b>\$213,765</b> |

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES  
SUMMARY STATEMENT OF LOANS**

**June 30, 2016**

(expressed in thousands of United States dollars)

Schedule 2

| Member countries in which loans have been made | Total Loans Approved 1/ | Loans approved but not yet effective | Signed agreements  | Principal repaid to bank | Undisbursed      | Loans Outstanding  | Percentage of total loans outstanding |
|--|-------------------------|--------------------------------------|--------------------|--------------------------|------------------|--------------------|---------------------------------------|
| Anguilla                                       | \$103,247               | \$1,658                              | \$101,589          | \$19,142                 | \$25,809         | \$56,638           | 5.6                                   |
| Antigua and Barbuda                            | 154,194                 | -                                    | 154,194            | 30,571                   | 33,022           | 90,601             | 9.0                                   |
| Bahamas  | 91,601                  | 33,069                               | 58,532             | 48,686                   | 3,787            | 6,059              | 0.6                                   |
| Barbados                                       | 410,690                 | 50,294                               | 360,396            | 171,140                  | 70,387           | 118,869            | 11.8                                  |
| Belize   | 239,593                 | -                                    | 239,593            | 82,990                   | 73,948           | 82,654             | 8.2                                   |
| British Virgin Islands                         | 59,483                  | -                                    | 59,483             | 34,102                   | 11,486           | 13,894             | 1.4                                   |
| Cayman Islands                                 | 43,512                  | -                                    | 43,512             | 41,543                   | -                | 1,969              | 0.2                                   |
| Dominica                                       | 52,454                  | -                                    | 52,454             | 28,227                   | 6,447            | 17,780             | 1.8                                   |
| Grenada  | 89,317                  | -                                    | 89,317             | 31,706                   | 22,662           | 34,950             | 3.5                                   |
| Guyana   | 67,665                  | -                                    | 67,665             | 29,805                   | 8,436            | 29,424             | 2.9                                   |
| Jamaica  | 477,221                 | -                                    | 477,221            | 238,566                  | 20,510           | 218,145            | 21.7                                  |
| Montserrat                                     | 485                     | -                                    | 485                | 485                      | -                | -                  | 0.0                                   |
| St. Kitts and Nevis                            | 82,743                  | -                                    | 82,743             | 43,846                   | 1,859            | 37,039             | 3.7                                   |
| St. Lucia                                      | 219,555                 | 25,501                               | 194,054            | 96,864                   | 27,503           | 69,687             | 6.9                                   |
| St. Vincent and the Grenadines                 | 159,025                 | -                                    | 159,025            | 53,593                   | 12,315           | 93,117             | 9.3                                   |
| Suriname                                       | 68,570                  | -                                    | 68,570             | -                        | 18,399           | 50,171             | 5.0                                   |
| Trinidad and Tobago                            | 168,655                 | -                                    | 168,655            | 119,928                  | 10,000           | 38,726             | 3.9                                   |
| Turks and Caicos Islands                       | 15,119                  | -                                    | 15,119             | 9,905                    | -                | 5,214              | 0.5                                   |
| Regional                                       | 20,693                  | -                                    | 20,693             | 6,680                    | 6,532            | 7,480              | 0.7                                   |
| Private Sector                                 | 154,801                 | -                                    | 154,801            | 109,029                  | 14,097           | 31,675             | 3.2                                   |
| Sub-total                                      | 2,678,623               | 110,522                              | 2,568,101          | 1,196,809                | 367,199          | 1,004,092          | 100.0                                 |
| Provisions for losses                          | -                       | -                                    | -                  | -                        | -                | (6,309)            |                                       |
| Accrued Interest                               | -                       | -                                    | -                  | -                        | -                | 8,438              |                                       |
| <b>Total - June 30, 2016</b>                   | <b>\$2,678,623</b>      | <b>\$110,522</b>                     | <b>\$2,568,101</b> | <b>\$1,196,809</b>       | <b>\$367,199</b> | <b>\$1,006,221</b> |                                       |
| Total - December 31, 2015                      | \$2,603,658             | \$136,104                            | \$2,467,554        | \$1,140,964              | \$337,062        | \$992,530          |                                       |

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|                              |                          |                           |                    |                    |                   |               | Schedule 2<br>(continued) |
|------------------------------|--------------------------|---------------------------|--------------------|--------------------|-------------------|---------------|---------------------------|
|                              | Loans                    |                           |                    |                    |                   | Provision     | Loans                     |
| Currencies<br>Receivable     | Out-<br>standing<br>2015 | Net<br>Interest<br>Earned | Disburse-<br>ments | Sub-<br>Total      | Repay-<br>ments   | for<br>Losses | Out-<br>standing<br>2016  |
| United States dollars        | \$989,528                | \$-                       | \$67,724           | \$1,057,252        | \$(53,160)        | \$-           | \$1,004,092               |
| <b>Sub-Total</b>             | <b>989,528</b>           | <b>-</b>                  | <b>67,724</b>      | <b>1,057,252</b>   | <b>(53,160)</b>   | <b>-</b>      | <b>1,004,092</b>          |
| Provision for impairment     | (6,309)                  | -                         | -                  | (6,309)            | -                 | -             | (6,309)                   |
| Accrued interest             | 9,311                    | (873)                     | -                  | 8,438              | -                 | -             | 8,438                     |
| <b>Total - June 30, 2016</b> | <b>\$992,530</b>         | <b>\$(873)</b>            | <b>\$67,724</b>    | <b>\$1,059,381</b> | <b>\$(53,160)</b> | <b>-</b>      | <b>\$1,006,221</b>        |
| Total - December 31, 2015    | \$982,671                | \$(970)                   | \$95,082           | \$1,076,783        | \$(84,253)        | \$-           | \$992,530                 |

**MATURITY STRUCTURE OF LOANS OUTSTANDING**

|                                      |                    |
|--------------------------------------|--------------------|
| July 1, 2016 to December 31, 2016    | \$60,519           |
| January 1, 2017 to December 31, 2017 | 98,998             |
| January 1, 2018 to December 31, 2018 | 95,651             |
| January 1, 2019 to December 31, 2019 | 93,784             |
| January 1, 2020 to December 31, 2020 | 87,758             |
| January 1, 2021 to December 31, 2025 | 377,116            |
| January 1, 2026 to December 31, 2030 | 181,599            |
| January 1, 2031 to December 31, 2035 | 16,666             |
| January 1, 2036 to December 31, 2037 | 439                |
| <b>Total</b>                         | <b>1,012,530</b>   |
| <b>Deduct provision</b>              | <b>(6,309)</b>     |
| <b>Total loans outstanding</b>       | <b>\$1,006,221</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF SUBSCRIPTION TO CAPITAL STOCK AND VOTING POWER**  
**June 30, 2016**  
(expressed in thousands of United States dollars)

Schedule 3

| Member                                     | No. of Shares  | % of Total    | Total subscribed capital | Callable capital   | Paid-up capital  | Subscriptions Matured | Voting Power   |                  | Receivable from members, Non-negotiable Demand Notes |
|--|----------------|---------------|--------------------------|--------------------|------------------|-----------------------|----------------|------------------|--|
|  |                |               |                          |                    |                  |                       | No. of votes   | % of total votes |  |
| <b>Regional States and Territories:</b>    |                |               |                          |                    |                  |                       |                |                  |  |
| Jamaica                                    | 48,354         | 17.31         | \$291,659                | \$227,614          | \$64,045         | \$64,045              | 48,504         | 17.14            | \$12,914   |
| Trinidad and Tobago                        | 48,354         | 17.31         | 291,659                  | 227,614            | 64,045           | 64,045                | 48,504         | 17.14            | 10,713   |
| Bahamas                                    | 14,258         | 5.10          | 86,001                   | 67,115             | 18,886           | 18,886                | 14,408         | 5.09             | 1,612  |
| Guyana                                     | 10,417         | 3.73          | 62,833                   | 49,038             | 13,795           | 13,795                | 10,567         | 3.73             | 3,120  |
| Barbados                                   | 9,074          | 3.25          | 54,732                   | 42,717             | 12,015           | 12,015                | 9,224          | 3.26             | 1,070  |
| Colombia                                   | 7,795          | 2.79          | 47,017                   | 36,691             | 10,326           | 10,326                | 7,945          | 2.81             | 627  |
| Mexico                                     | 7,795          | 2.79          | 47,017                   | 36,691             | 10,326           | 10,326                | 7,945          | 2.81             | -  |
| Venezuela                                  | 7,795          | 2.79          | 47,017                   | 36,691             | 10,326           | 10,326                | 7,945          | 2.81             | 3,203  |
| Suriname                                   | 4,166          | 1.49          | 25,128                   | 19,627             | 5,501            | 2,860                 | 4,316          | 1.53             | 2,145  |
| Brazil                                     | 3,118          | 1.12          | 18,807                   | 14,687             | 4,120            | 823                   | 3,268          | 1.15             | -  |
| Haiti                                      | 2,187          | 0.78          | 13,191                   | 10,296             | 2,895            | 2,895                 | 2,337          | 0.83             | -  |
| Belize                                     | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | -  |
| Dominica                                   | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | 286  |
| St. Lucia                                  | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | 360  |
| St. Vincent and the Grenadines             | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | 97   |
| Antigua and Barbuda                        | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | 296  |
| St. Kitts and Nevis                        | 2,148          | 0.77          | 12,956                   | 10,109             | 2,847            | 2,847                 | 2,298          | 0.81             | 255  |
| Grenada                                    | 1,839          | 0.66          | 11,093                   | 8,661              | 2,432            | 2,432                 | 1,989          | 0.70             | 213  |
| Anguilla /1                                | 455            | 0.16          | 2,744                    | 2,141              | 603              | 603                   | 2,737          | 0.97             | 14   |
| Montserrat /1                              | 533            | 0.19          | 3,215                    | 2,509              | 706              | 706                   |                |                  | -  |
| British Virgin Islands /1                  | 533            | 0.19          | 3,215                    | 2,509              | 706              | 706                   |                |                  | -  |
| Cayman Islands /1                          | 533            | 0.19          | 3,215                    | 2,509              | 706              | 706                   |                |                  | 8  |
| Turks and Caicos Islands /1                | 533            | 0.19          | 3,215                    | 2,509              | 706              | 706                   |                |                  | -  |
|  | <b>180,627</b> | <b>64.65</b>  | <b>1,089,494</b>         | <b>850,273</b>     | <b>239,221</b>   | <b>233,283</b>        | <b>183,477</b> | <b>64.83</b>     | <b>36,933</b>  |
| <b>Non-Regional States:</b>                |                |               |                          |                    |                  |                       |                |                  |  |
| Canada                                     | 26,004         | 9.31          | 156,849                  | 122,408            | 34,441           | 34,441                | 26,154         | 9.24             | -  |
| United Kingdom                             | 26,004         | 9.31          | 156,849                  | 122,408            | 34,441           | 34,441                | 26,154         | 9.24             | 2,150  |
| Italy                                      | 15,588         | 5.58          | 94,023                   | 73,376             | 20,647           | 20,647                | 15,738         | 5.56             | 611  |
| Germany                                    | 15,588         | 5.58          | 94,023                   | 73,376             | 20,647           | 20,647                | 15,738         | 5.56             | 5,549  |
| China                                      | 15,588         | 5.58          | 94,023                   | 73,376             | 20,647           | 20,647                | 15,738         | 5.56             | -  |
|  | <b>98,772</b>  | <b>35.35</b>  | <b>595,767</b>           | <b>464,944</b>     | <b>130,823</b>   | <b>130,822</b>        | <b>99,522</b>  | <b>35.17</b>     | <b>8,310</b>   |
| <b>Sub-total</b>                           | <b>279,399</b> | <b>100.00</b> | <b>1,685,261</b>         | <b>1,315,217</b>   | <b>370,044</b>   | <b>364,105</b>        | <b>282,999</b> | <b>100.00</b>    | <b>45,243</b>  |
| <b>Additional subscriptions</b>            |                |               |                          |                    |                  |                       |                |                  |  |
| China                                      |                |               | 18,804                   | 14,688             | 4,116            | 4,116                 |                |                  |  |
| Colombia                                   |                |               | 1,810                    | 905                | 905              | 905                   |                |                  |  |
| Germany                                    |                |               | 12,546                   | 9,681              | 2,865            | 2,865                 |                |                  |  |
| Italy                                      |                |               | 12,546                   | 9,681              | 2,865            | 2,865                 |                |                  |  |
| Mexico                                     |                |               | 6,273                    | 4,841              | 1,432            | 1,432                 |                |                  |  |
| Venezuela                                  |                |               | 1,810                    | 905                | 905              | 905                   |                |                  |  |
| Haiti                                      |                |               | 2,639                    | 2,060              | 579              | 579                   |                |                  |  |
| Suriname                                   |                |               | 12,564                   | 9,814              | 2,750            | 1,430                 |                |                  |  |
| Brazil                                     |                |               | 9,403                    | 7,343              | 2,060            | 412                   |                |                  |  |
| <b>Sub-total</b>                           | <b>-</b>       | <b>-</b>      | <b>78,395</b>            | <b>59,918</b>      | <b>18,477</b>    | <b>15,509</b>         | <b>-</b>       | <b>-</b>         | <b>-</b>   |
| <b>Gross Subscriptions - June 30, 2016</b> | <b>279,399</b> | <b>100.00</b> | <b>\$1,763,656</b>       | <b>\$1,375,135</b> | <b>\$388,521</b> | <b>\$379,614</b>      | <b>282,999</b> | <b>100.00</b>    | <b>\$45,243</b>                                      |
| Subscriptions Prepayment Discount          |                |               |                          |                    |                  | (341)                 |                |                  |  |
| <b>Net Subscriptions - June 30, 2016</b>   |                |               |                          |                    |                  | <b>379,273</b>        |                |                  |  |
| Total - December 31, 2015                  | 279,399        | 100.00        | \$1,763,656              | \$1,375,135        | \$388,521        | \$343,324             | 282,999        | 100.00           | \$45,746   |

1. In accordance with Article 3 paragraph 4 of the Agreement establishing the Bank and Board of Governors Resolution No. 4/81, these territories are considered as a single member of the Bank for the purpose of Articles 26 and 52 of the Agreement.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 4

|                                  | Original<br>amounts<br>1/ | Trans-<br>lation<br>adjust-<br>ments | Repay-<br>ments<br>to date | Currency<br>swap<br>agreements | Undrawn           | Out-<br>stand-<br>ing | Due Dates |
|----------------------------------|---------------------------|--------------------------------------|----------------------------|--------------------------------|-------------------|-----------------------|-----------|
| Short term borrowing:            |                           |                                      |                            |                                |                   |                       |           |
| Floating Rate Note - US\$        | \$30,000                  | \$-                                  | \$-                        | \$-                            | \$-               | \$30,000              | 2016      |
|                                  | 30,000                    | -                                    | -                          | -                              | -                 | 30,000                |           |
| CDB Market Borrowings:           |                           |                                      |                            |                                |                   |                       |           |
| 4.35% Loan - Yen                 | 60,000                    | 3,038                                | -                          | -                              | -                 | 63,038                | 2030      |
| 2.75% Notes - Yen                | 100,000                   | 22,198                               | -                          | 5,547                          | -                 | 127,745               | 2022      |
| 4.375% Bonds - US\$              | 300,000                   | -                                    | -                          | -                              | -                 | 300,000               | 2027      |
| Unamortized transaction costs    | (1,726)                   | -                                    | -                          | -                              | -                 | (1,726)               |           |
|                                  | 458,274                   | 25,236                               | -                          | 5,547                          | -                 | 489,057               |           |
| European Investment Bank         |                           |                                      |                            |                                |                   |                       |           |
| Global Loan III - US\$           | 51,157                    | -                                    | (26,259)                   | -                              | -                 | 24,898                | 2023      |
| Climate Action Credit - US\$     | 65,320                    | -                                    | -                          | -                              | (65,320)          | -                     |           |
|                                  | 116,477                   | -                                    | (26,259)                   | -                              | (65,320)          | 24,898                |           |
| Inter-American Development Bank: |                           |                                      |                            |                                |                   |                       |           |
| Loan 926/OC-RG - US\$            | 19,347                    | -                                    | (13,791)                   | -                              | -                 | 5,556                 | 2021      |
| Loan 2798/BL-RG - US\$           | 14,000                    | -                                    | -                          | -                              | (7,314)           | 6,686                 |           |
|                                  | 33,347                    | -                                    | (13,791)                   | -                              | (7,314)           | 12,242                | 2043      |
| Sub-total                        | 638,098                   | 25,236                               | (40,050)                   | 5,547                          | (72,634)          | 556,197               |           |
| Accrued interest                 | 1,703                     | -                                    | -                          | -                              | -                 | 1,703                 |           |
| <b>Total - June 30, 2016</b>     | <b>\$639,801</b>          | <b>\$25,236</b>                      | <b>\$(40,050)</b>          | <b>\$5,547</b>                 | <b>\$(72,634)</b> | <b>\$557,900</b>      |           |
| Total - December 31, 2015        | \$623,315                 | \$(2,435)                            | \$(51,526)                 | \$6,032                        | \$(72,634)        | \$502,752             |           |

1/ Net of cancellations and borrowings fully repaid.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS (continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|                              |  |                                      |                         |                 |                                |                   | Schedule 4<br>(continued)                              |
|------------------------------|--|--------------------------------------|-------------------------|-----------------|--------------------------------|-------------------|--|
| Currencies<br>repayable      | Out-<br>standing<br>borrow-<br>ings<br>December 31<br>2015 | Trans-<br>lation<br>adjust-<br>ments | Net<br>Interest<br>Paid | Draw-<br>downs  | Currency<br>swap<br>agreements | Repay-<br>ments   | Out-<br>standing<br>borrow-<br>ings<br>June 30<br>2016 |
| United States dollars        | \$338,282  | \$-                                  | \$-                     | \$59,348        | \$-                            | \$(32,216)        | \$365,414  |
| Yen                          | 162,920  | 28,347                               | -                       | -               | (484)                          | -                 | 190,783  |
| Sub-total                    | 501,202  | 28,347                               | -                       | 59,348          | (484)                          | (32,216)          | 556,197  |
| Accrued interest             | 1,550  | -                                    | 153                     | -               | -                              | -                 | 1,703  |
| <b>Total - June 30, 2016</b> | <b>\$502,752</b>   | <b>\$28,347</b>                      | <b>\$153</b>            | <b>\$59,348</b> | <b>\$(484)</b>                 | <b>\$(32,216)</b> | <b>\$557,900</b>                                       |
| Total - December 31, 2015    | \$530,301  | \$6,065                              | \$298                   | \$1,488         | \$(968)                        | \$(34,432)        | \$502,752  |

**MATURITY STRUCTURE OF BORROWINGS OUTSTANDING**

|                                      |                  |
|--------------------------------------|------------------|
| July 1, 2016 to December 31, 2016    | \$33,918         |
| January 1, 2017 to December 31, 2017 | 4,431            |
| January 1, 2018 to December 31, 2018 | 4,431            |
| January 1, 2019 to December 31, 2019 | 4,704            |
| January 1, 2020 to December 31, 2020 | 4,704            |
| January 1, 2021 to December 31, 2025 | 318,589          |
| January 1, 2026 to December 31, 2030 | 183,712          |
| January 1, 2031 to December 31, 2043 | 3,411            |
| <b>Total</b>                         | <b>\$557,900</b> |

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 1 – NATURE OF OPERATIONS**

*Corporate structure*

The Caribbean Development Bank (“CDB” or “the Bank”) is an international organisation established by an Agreement (“Charter”) signed in Kingston, Jamaica, on October 18, 1969 and accepted and ratified by all the member countries which are signatories thereto. The Charter is an international treaty which, together with the instruments of ratification and accession by member countries, is deposited with the United Nations Secretary-General. The Charter entered into force on January 26, 1970 and CDB commenced operations on January 31, 1970. Since then other countries have become members of CDB by acceding to the Charter. The Bank’s headquarters is located in Wildey in the parish of Saint Michael in the island of Barbados.

*Purpose and objectives*

CDB is a regional financial institution established for the purpose of contributing to the harmonious economic growth and development of the member countries in the Caribbean (“Region”) and to promote economic cooperation and integration among them, with special and urgent regard to the needs of the less developed members.

Reducing poverty in the region is CDB’s main objective and it finances development projects in its Borrowing Member Countries (“BMCs”) primarily through its Ordinary Capital Resources (“OCR”) which comprises shareholders’ paid-in capital, retained earnings and reserves and borrowings. In advancing this objective, the Bank participates in the selection, study and preparation of projects contributing to poverty reduction and where necessary, provides technical assistance. The BMCs are also shareholders of the OCR and are therefore considered related parties.

*Membership*

The membership of the Bank is open to:

- (a) States and Territories of the Region;
- (b) Non-Regional States which are members of the United Nations or any of its specialised Agencies, or of the International Atomic Energy Agency.

The current membership of the Bank is comprised of twenty-three (23) regional states and territories and five (5) non-regional states (2015: 22 regional states and territories and 5 non-regional states).

**NOTE 2 – KEY EVENTS**

For the six month period commencing on January 1, 2016, the Bank’s interest rate on its variable rate loans was set at 2.97% (2015: 3.90%). This was approved at the 268<sup>th</sup> meeting of the Board of Directors (BOD) held on October 15, 2015 and was in accordance with the policy of setting interest rates on the basis of the weighted average cost of borrowings for the previous six months plus an adjustable spread.

For the period under review, the Bank recorded net interest income of \$11.9mn (2015: \$16.5mn), a reduction of 27.9% due largely to the lower interest income of \$3.3mn. The total net non-interest charges was lower by \$3.4mn resulting in operating income of \$10.0mn which was \$1.2mn (10.7%) lower than the previous period achievement of \$11.2mn. This result was bolstered by a \$30.8mn increase in the impact of the derivative adjustments.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 2 – KEY EVENTS...continued**

As a result the total comprehensive income earned for the period was \$35.5mn (2015: \$5.9mn).

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

This condensed interim financial report for the six months ended June 30, 2016 was prepared in accordance with IAS 34, ‘*Interim Financial Reporting*’ and does not include all of the information and disclosures that are required in the audited annual financial statements. This condensed interim financial report should be read in conjunction with the Bank’s audited financial statements in respect of the year ended December 31, 2015.

**Accounting policies**

Accounting policies which are specific in nature are included as part of the disclosures that are relevant to the particular item. The accounting policies that are of a general nature applied in the preparation of these financial statements are set out below.

All policies have been consistently applied to the years presented, except where otherwise stated. Prior year comparatives have been adjusted or amended to conform with the presentation in the current year where applicable.

**New and amended standards and interpretations which are applicable to the Bank**

The Bank applied for the first time certain standards and amendments, which are effective for the reporting period. The nature and the impact of each new standard and amendment is described below:

*IAS 19 – Defined Benefit Plans: Employee Contributions – Amendments to IAS 19* (Effective July 1, 2014)

This amendment requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. IAS 19 requires such contributions that are linked to service to be attributed to periods of service as a negative benefit. If the amount of the contribution is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service was rendered, instead of allocating the contributions to the periods of service. The Bank has always treated members’ contributions as a reduction to service cost as they are independent of the number of year of service. There was therefore no impact on the financial statements.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES...continued**

**Standards in issue not yet effective and which are applicable to the Bank**

The following is a list of standards and interpretations issued that are not yet effective up to the date of the issuance of the Bank's financial statements. The Bank intends to adopt these standards, if applicable, when they become effective. The impact of adoption depends on the assets held by the Bank at the date of adoption and it is therefore not practical to quantify the effect at this time.

- *IAS 1 – Disclosure Initiative – Amendments to IAS 1* (Effective January 1, 2016)
- *IFRS 9 – Financial Instruments* (Effective January 1, 2018)
- *IFRS 15 – Revenue from contracts with customers* (Effective January 1, 2017)
- *IAS 16 and IAS 38 – Clarification of Acceptable Methods for Depreciation and Amortisation* (Amendments) (Effective date January 1, 2016)
- Annual Improvements to IFRSs 2012-2014 Cycle

**NOTE 4 – LOANS**

The distribution of the Bank's loans by country and the analysis of interest and related income earned for the six months ended June 30, 2016 are shown in Schedule 2.

**NOTE 5 – SEGMENT ANALYSIS**

**Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to, and assesses the performance of the operating segments of an entity. Under Article 33.4 of the Charter, the President is the Chief Executive Officer ("CEO") of the Bank, and is required to conduct, under the direction of the Board of Directors ("BOD") the current business of the Bank as well as the other undertakings as set out in this Article. The President has set up a number of management Committees to assist with the discharge of those responsibilities.

In accordance with IFRS 8 – *Operating Segments*, the Bank has one operating segment, its Ordinary Capital Resources ("OCR").

The Bank has determined that the Advisory Management Team ("AMT") is its chief operating decision maker.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 5 – SEGMENT ANALYSIS...continued**

**Segment reporting...continued**

The following table presents the outstanding balance of CDB's loans (net of provision for impairment) as of June 30, 2016 and associated interest income, by countries which generated in excess of 10% of the loan interest income for the six months ended June 30, 2016.

| Country                           | Interest income |                 | Loans outstanding  |                   |
|-----------------------------------|-----------------|-----------------|--------------------|-------------------|
|                                   | 2016            | 2015            | June 30, 2016      | December 31, 2015 |
| Jamaica                           | \$3,303         | \$4,528         | \$219,876          | \$227,535         |
| Barbados                          | 2,171           | 2,583           | 119,663            | 123,641           |
| St. Vincent and the<br>Grenadines | 1,474           | 1,965           | 93,866             | 98,329            |
| Other                             | 8,874           | 10,338          | 572,816            | 543,025           |
|                                   | <b>\$15,822</b> | <b>\$19,414</b> | <b>\$1,006,221</b> | <b>\$992,530</b>  |

**NOTE 6 – CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balances with less than six months maturity from the date of acquisition:

|                | December 31,    |                 |
|----------------|-----------------|-----------------|
|                | 2016            | 2015            |
| Due from banks | \$4,716         | \$19,829        |
| Time deposits  | 49,083          | 45,583          |
|                | <b>\$53,799</b> | <b>\$65,412</b> |

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**

The Bank's principal financial liabilities, other than derivatives, comprise borrowings and trade and other payables, the main purpose of which is to finance the Bank's operations. The Bank also provides guarantees to its borrowers under set terms and conditions. The Bank's principal financial assets are loans, trade and other receivables, cash and short-term deposits and debt securities at fair value through profit and loss that are all derived directly from its operations. The Bank also holds derivative contracts and enters into derivative transactions when deemed necessary by senior management.

The Bank's Board of Directors (BOD) sets the governance framework for the Bank by setting the risk and risk appetite framework, and the underlying policies and procedures. Financial risk activities are governed by the policies and procedures and financial risks are identified, measured and managed in accordance with the Bank's approved policies and risk objectives

The ability to manage these risks is supported by an enterprise wide risk management framework which was approved by the Board of Directors. Operationally, CDB seeks to minimise its risks via the implementation of robust mitigating controls aimed at reducing exposure to achieve adherence to approved Risk Appetite portfolio limits. The Bank's risk mitigation approaches include adopting processes, systems, policies, guidelines and practices which are reviewed and modified periodically in line with the institution's changing circumstances.

The Bank's Office of Risk Management (ORM) manages, coordinates, monitors and reports on the mitigation of all risks that the Bank faces including additional risks such as strategic, financial, operational, and reputational risks. The ORM also has the responsibility for recommending and implementing new or amended policies and procedures for effective risk management to the BOD for approval and to ensure that risk awareness is embedded among the Bank's employees and in the Bank's operations. CDB's risk management framework is built around its governance, policies and processes. The risk management governance structure supports the Bank's senior management in their oversight function in the coordination of different aspects of risk management.

The Bank's governance is built around the following committees:

- (a) The Enterprise Risk Committee (ERC);
- (b) The Loans Committee;
- (c) The Oversight and Assurance Committee (OAC) [formerly the Audit and Post-Evaluation Committee (APEC)], which operates under a new Charter approved by the BOD in October 2015; and
- (d) The Advisory Management Team (AMT).

The Board of Directors also approved a new strategic framework for integrity, compliance and accountability and the establishment of a new independent office. This Office was operationalised in December 2015 with the appointment of a Head, Institutional Integrity, Compliance and Accountability (ICA). The office will be responsible for managing institutional integrity, compliance, anti-money laundering (AML), countering the financing of terrorism (CFT) and financial sanctions, whistleblowing and project accountability.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT** ...continued

**Fair value of financial assets and liabilities**

(a) *Fair value hierarchy*

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

Quoted prices in active markets (Level 1) – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Significant observable inputs (Level 2) – Inputs other than quoted prices included in Level 1 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Significant unobservable inputs (Level 3) – Inputs for the asset or liability for which the lowest level input that is significant to the fair value measurement is unobservable.

Assets measured at fair value:

| <b>June 30</b>   | <b>2016</b>                                      |  |  | <b>Total</b>     |
|--|--|--|--|------------------|
|  | <b>Quoted prices in active markets (Level 1)</b> | <b>Significant observable inputs (Level 2)</b> | <b>Significant unobservable inputs (Level 3)</b> |                  |
| Financial assets at fair value through profit and loss |  |  |  |                  |
| - Derivative financial instruments                     | \$-  | 72,726   | \$-  | \$72,726         |
| Financial assets designated at fair value              |  |  |  |                  |
| - Debt securities                                      | -  | 267,486  | -  | 267,486          |
| - Derivative financial instruments                     | -  | 36,172   | -  | 36,172           |
|  | <b>\$-</b>                                       | <b>\$376,384</b>                               | <b>\$-</b>                                       | <b>\$376,384</b> |

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT** *...continued*

**Fair value financial assets and liabilities** *...continued*

| December 31  | 2015  |  |  |           |
|--|---|--|--|-----------|
|  | Quoted<br>prices in<br>active<br>markets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) | Total     |
| Financial assets at fair value through profit and loss |   |  |  |           |
| - Derivative financial instruments                     | \$-   | \$39,376   | \$-  | \$39,376  |
| Financial assets designated at fair value              |   |  |  |           |
| - Debt securities                                      | -   | 210,255  |  | 210,255   |
| - Derivative financial instruments                     | -   | 19,365   | -  | 19,365    |
|  | \$-   | \$268,996  | \$-  | \$268,996 |



**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2016**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**...continued

**Credit rating**

On June 8, 2016 Standard & Poor's reaffirmed its 'AA' long-term issuer credit rating and 'A-1+' short-term credit rating with a Stable outlook.

On July 30, 2015 Moody's Investors Service affirmed the Bank's long term issuer rating at Aa1 and maintained the Stable outlook.

**NOTE 8 – GUARANTEES**

*Guarantees*

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised as a liability in the financial statements at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee, on the date the guarantee was given. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

At its two hundred and forty-ninth meeting held on December 8, 2011, the Bank issued a guarantee in an amount not exceeding the equivalent of \$12 million with respect to Bonds issued by the Government of St. Kitts and Nevis (GOSKN) on a rolling, re-instatable and non-accelerable basis.

The guarantee contains a Counter Guarantee and Indemnity clause whereby the GOSKN undertakes irrevocably and unconditionally agrees to reimburse the Bank for any amount paid under the guarantee together with interest and other charges at a rate specified by the Bank. Where reimbursement to the Bank is not made (in whole or in part) within a period of 90 days of such amounts being paid the Bank such unreimbursed amounts shall be converted to a loan due by the GOSKN to the Bank's OCR.

**NOTE 9 – SUBSEQUENT EVENT**

On July 7, 2016 the Bank successfully concluded a new long term borrowing on the Swiss market for the Swiss Franc (CHF) equivalent of USD150 million. The interest rate was fixed at 0.297% payable annually in arrears and the maturity date is July 7, 2028. The Bonds will be listed on the SIX Swiss Exchange. Concurrent with completion of the transaction the Bank also entered into a Swiss Franc to US Dollar currency swap and a fixed to floating interest rate swap, the effects of which are in accordance with the Bank's policy to match its asset and liability profile.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF FINANCIAL POSITION**

**As of June 30, 2016**

(expressed in thousands of United States dollars)

|  |                  |                 |                  | December 31, 2015 |                 |                  |
|--|------------------|-----------------|------------------|-------------------|-----------------|------------------|
|  | UNIFIED          | OTHER           | TOTAL            | UNIFIED           | OTHER           | TOTAL            |
| <b>Assets</b>  |                  |                 |                  |                   |                 |                  |
| Cash and cash equivalents                              | \$41,666         | \$16,294        | \$57,960         | \$31,548          | \$12,129        | \$43,677         |
| Debt securities at fair value through profit or loss   | 273,671          | 38,939          | 312,610          | 262,464           | 43,509          | 305,973          |
| Loans outstanding                                      | 538,339          | 15,160          | 553,499          | 543,427           | 15,756          | 559,183          |
| <b>Receivables</b>                                     |                  |                 |                  |                   |                 |                  |
| Accounts receivable                                    | 1                | -               | 1                | 1                 | -               | 1                |
|  | <b>853,677</b>   | <b>70,393</b>   | <b>924,070</b>   | <b>837,440</b>    | <b>71,394</b>   | <b>908,834</b>   |
| <b>Receivable from contributors</b>                    |                  |                 |                  |                   |                 |                  |
| Non-negotiable demand notes (Schedule 3)               | 56,449           | -               | 56,449           | 73,176            | -               | 73,176           |
| Contribution in arrears                                | 11,698           | -               | 11,698           | 12,124            | -               | 12,124           |
|  | <b>68,147</b>    | <b>-</b>        | <b>68,147</b>    | <b>85,300</b>     | <b>-</b>        | <b>85,300</b>    |
| <b>Total assets</b>                                    | <b>\$921,824</b> | <b>\$70,393</b> | <b>\$992,217</b> | <b>\$922,740</b>  | <b>\$71,394</b> | <b>\$994,134</b> |
| <b>Liabilities and Funds</b>                           |                  |                 |                  |                   |                 |                  |
| <b>Liabilities</b>                                     |                  |                 |                  |                   |                 |                  |
| Accounts payable                                       | \$58,078         | \$996           | \$59,074         | \$60,375          | \$1,498         | \$61,873         |
| Subscriptions in advance                               | 2,350            | -               | 2,350            | 2,350             | -               | 2,350            |
| Accrued charges on contributions                       | -                | -               | -                | -                 | -               | -                |
|  | <b>60,428</b>    | <b>996</b>      | <b>61,424</b>    | <b>62,725</b>     | <b>1,498</b>    | <b>64,223</b>    |
| <b>Funds</b>   |                  |                 |                  |                   |                 |                  |
| Contributed resources (Schedule 3)                     |                  |                 |                  |                   |                 |                  |
| Contributions  | 1,166,799        | 40,887          | 1,207,686        | 1,201,875         | 40,905          | 1,242,780        |
| Less amounts not yet made available                    | (46,402)         | -               | (46,402)         | (81,827)          | -               | (81,827)         |
| Amounts made available                                 | 1,120,397        | 40,887          | 1,161,284        | 1,120,048         | 40,905          | 1,160,953        |
| Allocation to technical assistance and grant resources | (430,600)        | (2,285)         | (432,885)        | (430,600)         | (2,285)         | (432,885)        |
|  | <b>689,797</b>   | <b>38,602</b>   | <b>728,399</b>   | <b>689,448</b>    | <b>38,620</b>   | <b>728,068</b>   |
| Accumulated net income (Schedule 4)                    | \$58,031         | \$29,870        | \$87,901         | \$52,513          | \$30,351        | \$82,864         |
| Technical assistance and grant resources               | 113,568          | 925             | 114,493          | 118,054           | 925             | 118,979          |
|  | <b>861,396</b>   | <b>69,397</b>   | <b>930,793</b>   | <b>860,015</b>    | <b>69,896</b>   | <b>929,911</b>   |
| <b>Total liabilities and funds</b>                     | <b>\$921,824</b> | <b>\$70,393</b> | <b>\$992,217</b> | <b>\$922,740</b>  | <b>\$71,394</b> | <b>\$994,134</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
**For the six months ended June 30, 2016**  
(expressed in thousands of United States dollars)

|  | 2016           |              |                | 2015    |         |         |
|--|----------------|--------------|----------------|---------|---------|---------|
|  | UNIFIED        | OTHER        | TOTAL          | UNIFIED | OTHER   | TOTAL   |
| <b>Interest and similar income</b>                       |                |              |                |         |         |         |
| Loans  | \$6,185        | \$178        | \$6,363        | \$6,061 | \$192   | \$6,253 |
| Investments and cash balances                            | 6,513          | 825          | 7,338          | 633     | 225     | 858     |
| <b>Gross income</b>                                      | <b>12,698</b>  | <b>1,003</b> | <b>13,701</b>  | 6,694   | 417     | 7,111   |
| <b>Expenses</b>  |                |              |                |         |         |         |
| Administrative expenses                                  | 7,057          | 455          | 7,512          | 7,177   | 430     | 7,607   |
| Charges on contributions                                 | -              | -            | -              | -       | -       | -       |
| Foreign exchange translation                             | 123            | (5)          | 118            | (538)   | 122     | (416)   |
|  | 7,180          | 450          | 7,630          | 6,639   | 552     | 7,191   |
| <b>Total comprehensive income /(loss) for the period</b> | <b>\$5,518</b> | <b>\$553</b> | <b>\$6,071</b> | \$55    | \$(135) | \$(80)  |

**Accumulated Net Income**

|  |                 |                 |                 |          |          |          |
|--|-----------------|-----------------|-----------------|----------|----------|----------|
| Accumulated net income -                         |                 |                 |                 |          |          |          |
| beginning of year                                | \$52,513        | \$30,351        | \$82,864        | \$61,374 | \$31,838 | \$93,212 |
| Appropriations for technical assistance          | -               | (1,034)         | (1,034)         | (12,000) | (1,035)  | (13,035) |
| Total comprehensive income/(loss) for the period | 5,518           | 553             | 6,071           | 55       | (135)    | (80)     |
| Appropriations from OCR income                   | -               | -               | -               | 6,000    | -        | 6,000.00 |
| <b>Accumulated net income -</b>                  |                 |                 |                 |          |          |          |
| <b>end of period</b>                             | <b>\$58,031</b> | <b>\$29,870</b> | <b>\$87,901</b> | \$55,429 | \$30,668 | \$86,097 |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
(expressed in thousands of United States dollars)

|   | April - June<br>2016               |              |                | April - June<br>2015 |               |                  |
|---|------------------------------------|--------------|----------------|----------------------|---------------|------------------|
|   | UNIFIED                            | OTHER        | TOTAL          | UNIFIED              | OTHER         | TOTAL            |
|   | <b>Interest and similar income</b> |              |                |                      |               |                  |
| Loans   | \$3,087                            | \$88         | \$3,175        | \$3,029              | \$95          | \$3,124          |
| Investments and cash balances                           | 2,497                              | 300          | 2,797          | (555)                | (12)          | (567)            |
|   | <b>5,584</b>                       | <b>388</b>   | <b>5,972</b>   | <b>2,474</b>         | <b>83</b>     | <b>2,557</b>     |
| <b>Expenses</b>   |                                    |              |                |                      |               |                  |
| Administrative expenses                                 | 4,310                              | 278          | 4,588          | 3,773                | 222           | 3,995            |
| Charges on contributions                                | -                                  | -            | -              | -                    | -             | -                |
| Foreign exchange translation                            | (786)                              | (37)         | (823)          | 249                  | (118)         | 131              |
|   | <b>3,524</b>                       | <b>241</b>   | <b>3,765</b>   | <b>4,022</b>         | <b>104</b>    | <b>4,126</b>     |
| <b>Total comprehensive income/(loss) for the period</b> | <b>\$2,060</b>                     | <b>\$147</b> | <b>\$2,207</b> | <b>\$(1,548)</b>     | <b>\$(21)</b> | <b>\$(1,569)</b> |

**Accumulated Net Income**

|   |                 |                 |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Accumulated net income - beginning of period</b> | <b>\$55,971</b> | <b>\$30,757</b> | <b>\$86,728</b> | \$62,977        | \$31,724        | \$94,701        |
| Appropriations for technical assistance             | -               | (1,034)         | (1,034)         | (12,000)        | (1,035)         | (13,035)        |
| Appropriations from OCR income                      | -               | -               | -               | 6,000           | -               | 6,000           |
| Total comprehensive income/(loss) for the period    | <b>2,060</b>    | <b>147</b>      | <b>2,207</b>    | (1,548)         | (21)            | (1,569)         |
| <b>Accumulated net income - end of period</b>       | <b>\$58,031</b> | <b>\$29,870</b> | <b>\$87,901</b> | <b>\$55,429</b> | <b>\$30,668</b> | <b>\$86,097</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|   | <u>2016</u>     | <u>2015</u> |
|---|-----------------|-------------|
| <b>Operating activities:</b>  |                 |             |
| Total comprehensive income for the period   | <b>\$5,518</b>  | \$55        |
| Adjustments for non-cash items:   |                 |             |
| Unrealised (gain)/loss on debt securities at fair value through profit or loss                              | <b>(4,733)</b>  | 669         |
| Interest income   | <b>(7,934)</b>  | (7,494)     |
| Net foreign exchange gains  | <b>(1,272)</b>  | (574)       |
| <b><i>Total cash flows used in operating profits before changes in operating assets and liabilities</i></b> | <b>(8,421)</b>  | (7,344)     |
| Changes in operating assets and liabilities:  |                 |             |
| Decrease in accounts receivable   | -               | 430         |
| (Decrease)/increase in accounts payable   | <b>(2,297)</b>  | 1           |
| <b><i>Cash used in operating activities</i></b>   | <b>(10,718)</b> | (6,913)     |
| Disbursements on loans  | <b>(9,414)</b>  | (8,017)     |
| Principal repayments to the Bank on loans   | <b>14,588</b>   | 12,800      |
| Interest received   | <b>7,688</b>    | 7,261       |
| Net (increase)/decrease in debt securities at fair value through profit or loss                             | <b>(6,314)</b>  | 3,699       |
| Technical assistance disbursements  | <b>(4,486)</b>  | (4,460)     |
| <b><i>Net cash (used in)/provided by operating activities</i></b>   | <b>(8,656)</b>  | 4,370       |
| <b>Financing activities:</b>  |                 |             |
| Contributions:  |                 |             |
| Increase in contributions for loans   | <b>1,621</b>    | 317         |
| Decrease in receivables from contributors   | <b>17,153</b>   | 14,402      |
| Technical assistance allocation   | -               | 12,000      |
| Allocation of OCR net income  | -               | (6,000)     |
| <b><i>Net cash provided by financing activities</i></b>   | <b>18,774</b>   | 20,719      |
| Net decrease in cash and cash equivalents   | <b>10,118</b>   | 25,089      |
| Cash and cash equivalents - beginning of year   | <b>31,548</b>   | 12,700      |
| Cash and cash equivalents - end of the period   | <b>\$41,666</b> | \$37,789    |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2016**  
(expressed in thousands of United States dollars)

|   | <u>2016</u>     | <u>2015</u>    |
|---|-----------------|----------------|
| <b>Operating activities:</b>  |                 |                |
| Total comprehensive income/(loss) for the period  | \$553           | \$(135)        |
| Adjustments for non-cash items  |                 |                |
| Unrealised gain on debt securities at fair value through profit or loss                                     | (543)           | (12)           |
| Interest income   | (453)           | (418)          |
| Unrealised net foreign exchange gain  | (18)            | (217)          |
| <b><i>Total cash flows used in operating profits before changes in operating assets and liabilities</i></b> | <b>(461)</b>    | <b>(782)</b>   |
| Changes in operating assets and liabilities:  |                 |                |
| Decrease in accounts payable  | (502)           | (3,170)        |
| <b><i>Cash used in operating activities</i></b>   | <b>(963)</b>    | <b>(3,952)</b> |
| <br>  |                 |                |
| Principal repayments to the Bank on loans   | 596             | 596            |
| Interest received   | 444             | 384            |
| Net decrease/(increase) in debt securities at fair value through profit or loss                             | 5,122           | (2,764)        |
| <b><i>Net cash provided by/(used in) operating activities</i></b>   | <b>5,199</b>    | <b>(5,736)</b> |
| <b>Financing activities:</b>  |                 |                |
| Contributions:  |                 |                |
| Appropriations of accumulated net income  | (1,034)         | (1,035)        |
| Net cash used in financing activities   | (1,034)         | (1,035)        |
| Net increase/(decrease) in cash and cash equivalents  | 4,165           | (6,771)        |
| Cash and cash equivalents at beginning of year  | 12,129          | 9,076          |
| Cash and cash equivalents at end of period  | <b>\$16,294</b> | <b>\$2,305</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF INVESTMENTS**

**For the six months ended June 30, 2016**

(expressed in thousands of United States dollars)

Schedule 1

|                                   | June 30, 2016    |                 |                  | December 31, 2015 |          |           |
|-----------------------------------|------------------|-----------------|------------------|-------------------|----------|-----------|
|                                   | Market value     |                 |                  | Market value      |          |           |
|                                   | UNIFIED          | OTHER           | TOTAL            | UNIFIED           | OTHER    | TOTAL     |
| Government and Agency Obligations | \$187,041        | \$23,913        | \$210,954        | \$170,186         | \$24,273 | \$194,459 |
| Supranationals                    | 75,613           | 14,876          | 90,489           | 71,304            | 17,205   | 88,509    |
| Time Deposits                     | 10,033           | -               | 10,033           | 20,150            | 1,891    | 22,041    |
| <b>Sub-total</b>                  | <b>272,687</b>   | <b>38,789</b>   | <b>311,476</b>   | 261,640           | 43,369   | 305,009   |
| Accrued Interest                  | 984              | 150             | 1,134            | 824               | 140      | 964       |
| <b>Total</b>                      | <b>\$273,671</b> | <b>\$38,939</b> | <b>\$312,610</b> | \$262,464         | \$43,509 | \$305,973 |

**Residual term to contractual maturity**

|                               | 2016             | 2015             |
|-------------------------------|------------------|------------------|
| One month to three months     | \$47,572         | \$26,006         |
| Over three months to one year | 16,936           | 57,717           |
| From one year to five years   | 210,562          | 189,403          |
| From five years to ten years  | 37,540           | 32,847           |
| <b>TOTAL</b>                  | <b>\$312,610</b> | <b>\$305,973</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**SUMMARY STATEMENT OF LOANS**

As of June 30, 2016

(expressed in thousands of United States dollars)

Schedule 2

| Member countries in which loans have been made | Effective Loans                      |                          |                  |                   | Percent-<br>age of<br>total<br>loans<br>out-<br>standing |
|--|--------------------------------------|--------------------------|------------------|-------------------|--|
|  | Loans approved but not yet effective | Principal repaid to bank | Undisbursed      | Loans Outstanding |  |
| Anguilla                                       | \$425                                | \$7,304                  | \$-              | \$2,321           | 0.4  |
| Antigua and Barbuda                            | -                                    | 8,089                    | -                | 1,876             | 0.4  |
| Bahamas  | -                                    | 1,656                    | -                | 598               | 0.1  |
| Barbados                                       | -                                    | 5,396                    | -                | 250               | 0.0  |
| Belize   | -                                    | 34,733                   | 30,252           | 42,423            | 7.9  |
| British Virgin Islands                         | -                                    | 9,503                    | 277              | 1,197             | 0.2  |
| Cayman Islands                                 | -                                    | 3,700                    | -                | -                 | 0.0  |
| Dominica                                       | -                                    | 37,362                   | 45,928           | 54,611            | 10.2   |
| Grenada  | -                                    | 34,679                   | 24,062           | 76,450            | 14.3   |
| Guyana   | -                                    | 39,472                   | 42,223           | 111,596           | 20.9   |
| Jamaica  | -                                    | 53,007                   | 10,426           | 117,102           | 22.0   |
| Montserrat                                     | -                                    | 5,864                    | 1,272            | 3,269             | 0.6  |
| St. Kitts and Nevis                            | -                                    | 31,344                   | 8,167            | 43,618            | 8.1  |
| St. Lucia                                      | -                                    | 37,335                   | 35,544           | 46,244            | 8.6  |
| St. Vincent and the Grenadines                 | 7,317                                | 31,545                   | 33,639           | 28,006            | 5.2  |
| Suriname                                       | -                                    | -                        | 3,370            | -                 | 0.0  |
| Trinidad and Tobago                            | 1,000                                | 4,218                    | -                | -                 | 0.0  |
| Turks and Caicos Islands                       | -                                    | 8,960                    | -                | 2,594             | 0.5  |
| Regional                                       | -                                    | 5,596                    | 6,375            | 3,118             | 0.6  |
| Sub-total                                      | 8,742                                | 359,763                  | 241,534          | 535,272           | 100.0  |
| Accrued Interest                               | -                                    | -                        | -                | 3,067             |  |
| <b>Total - June 30, 2016</b>                   | <b>\$8,742</b>                       | <b>\$359,763</b>         | <b>\$241,534</b> | <b>\$538,339</b>  |  |
| Total - December 31, 2015                      | \$51,402                             | \$345,032                | \$185,457        | \$543,427         |  |

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)**  
**SUMMARY STATEMENT OF LOANS**

**As of June 30, 2016**

(expressed in thousands of United States dollars)

| Member countries in which loans have been made | Effective Loans |                   | Percentage of total loans outstanding |
|--|-----------------|-------------------|---------------------------------------|
|  | Undisbursed     | Loans Outstanding |                                       |
| Anguilla                                       | \$-             | \$-               | 0.0                                   |
| Antigua and Barbuda                            | -               | 367               | 2.4                                   |
| Bahamas  | -               | -                 | 0.0                                   |
| Barbados                                       | -               | -                 | 0.0                                   |
| Belize   | -               | 5,995             | 39.8                                  |
| British Virgin Islands                         | -               | -                 | 0.0                                   |
| Cayman Islands                                 | -               | -                 | 0.0                                   |
| Dominica                                       | -               | 1,707             | 11.3                                  |
| Grenada  | -               | 145               | 1.0                                   |
| Guyana   | -               | -                 | 0.0                                   |
| Jamaica  | -               | 1,174             | 7.8                                   |
| Montserrat                                     | -               | -                 | 0.0                                   |
| St. Kitts and Nevis                            | -               | 4,308             | 28.6                                  |
| St. Lucia                                      | -               | 379               | 2.5                                   |
| St. Vincent and the Grenadines                 | -               | 997               | 6.6                                   |
| Turks and Caicos Islands                       | -               | -                 | 0.0                                   |
| Regional                                       | -               | -                 | 0.0                                   |
| Sub-total                                      | \$-             | \$15,072          | 100.0                                 |
| Accrued Interest                               | -               | 88                |                                       |
| <b>Total - June 30, 2016</b>                   | <b>\$-</b>      | <b>15,160</b>     |                                       |
| Total - December 31, 2015                      | \$-             | \$15,756          |                                       |

1/ Net of lapses and cancellations.

**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**  
**For the six months ended of June 30, 2016**  
**(expressed in thousands of United States dollars)**

|   | Effective Loans         |                                      |                    |                          |                  |                  | Schedule 2<br>(continued)             |
|---|-------------------------|--------------------------------------|--------------------|--------------------------|------------------|------------------|---------------------------------------|
| Analysis by contributor                               | Total loans approved 1/ | Loans approved but not yet effective | Signed agreements  | Principal repaid to bank | Undisbursed      | Outstanding 2/   | Percentage of total loans outstanding |
| <b>Special Development Fund (Unified)</b>             |                         |                                      |                    |                          |                  |                  |                                       |
| Members/Contributors                                  | \$1,145,312             | \$8,742                              | \$1,136,570        | \$359,763                | \$241,534        | \$535,272        | 100.0                                 |
| Accrued interest                                      | -                       | -                                    | -                  | -                        | -                | 3,067            |                                       |
| <b>Total Special Development Fund(Unified)</b>        | <b>\$1,148,378</b>      | <b>\$8,742</b>                       | <b>\$1,139,636</b> | <b>\$359,763</b>         | <b>\$241,534</b> | <b>\$538,339</b> |                                       |
| <b>Special Development Fund (Other)</b>               |                         |                                      |                    |                          |                  |                  |                                       |
| <b>Members</b>  |                         |                                      |                    |                          |                  |                  |                                       |
| Colombia  | 8,534                   | -                                    | 8,534              | 8,446                    | -                | 88               | 0.6                                   |
| Germany   | 16,081                  | -                                    | 16,081             | 15,970                   | -                | 111              | 0.7                                   |
| Mexico  | 8,815                   | -                                    | 8,815              | 7,151                    | -                | 1,664            | 11.0                                  |
| Venezuela   | 52,206                  | -                                    | 52,206             | 39,026                   | -                | 13,180           | 87.5                                  |
|   | 85,636                  | -                                    | 85,636             | 70,593                   | -                | 15,043           |                                       |
| <b>Other Contributors</b>                             |                         |                                      |                    |                          |                  |                  |                                       |
| Sweden  | 4,351                   | -                                    | 4,351              | 4,323                    | -                | 29               | 0.2                                   |
| United States of America                              | 22,833                  | -                                    | 22,833             | 22,833                   | -                | -                | -                                     |
|   | 27,184                  | -                                    | 27,184             | 27,156                   | -                | 29               | 100.0                                 |
| Sub-total   | \$112,820               | -                                    | \$112,820          | \$97,749                 | \$-              | \$15,072         |                                       |
| Accrued interest                                      | -                       | -                                    | -                  | -                        | -                | 88               |                                       |
| <b>Total - Special Development Fund (Other)</b>       | <b>\$112,909</b>        | <b>\$-</b>                           | <b>\$112,909</b>   | <b>\$97,749</b>          | <b>\$-</b>       | <b>\$15,160</b>  |                                       |
| <b>Total - Special Development Fund June 30, 2016</b> | <b>\$1,261,375</b>      | <b>\$8,742</b>                       | <b>\$1,252,633</b> | <b>\$457,512</b>         | <b>\$241,534</b> | <b>\$553,499</b> |                                       |
| Total Special Development Fund December 31, 201:      | \$1,237,027             | \$51,402                             | \$1,185,625        | \$440,895                | \$185,457        | \$559,183        |                                       |

1/Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 2  
(continued)

| Currencies receivable                         | Loans out-standing 2015 | Net Interest Earned | Disburse-ments | Sub-Total        | Repay-ments       | Loans out-standing 2016 |
|---|-------------------------|---------------------|----------------|------------------|-------------------|-------------------------|
| <b>(a) Special Development Fund (Unified)</b> |                         |                     |                |                  |                   |                         |
| United States dollars                         | \$540,446               | \$-                 | \$9,414        | \$549,860        | \$(14,588)        | \$535,272               |
| Subtotal                                      | 540,446                 | -                   | 9,414          | 549,860          | (14,588)          | 535,272                 |
| Accrued interest                              | 2,981                   | 86                  | -              | 3,067            | -                 | 3,067                   |
| <b>Total - June 30, 2016</b>                  | <b>\$543,427</b>        | <b>\$86</b>         | <b>\$9,414</b> | <b>\$552,927</b> | <b>\$(14,588)</b> | <b>\$538,339</b>        |
| Total - December 31, 2015                     | \$529,875               | \$85                | \$39,080       | \$569,040        | \$(25,613)        | \$543,427               |
| <b>(b) Special Development Fund (Other)</b>   |                         |                     |                |                  |                   |                         |
| United States dollars                         | \$15,667                | \$(1)               | \$-            | \$15,668         | \$(596)           | \$15,072                |
| Subtotal                                      | 15,667                  | (1)                 | -              | 15,668           | (596)             | 15,072                  |
| Accrued interest                              | 89                      | (1)                 | -              | 88               | -                 | 88                      |
| <b>Total - June 30, 2016</b>                  | <b>\$15,756</b>         | <b>\$(2)</b>        | <b>\$-</b>     | <b>\$15,756</b>  | <b>\$(596)</b>    | <b>\$15,160</b>         |
| Total - December 31, 2015                     | \$16,959                | \$(10)              | \$-            | \$16,949         | \$(1,193)         | \$15,756                |

MATURITY STRUCTURE OF LOANS OUTSTANDING

|                                      |                  |
|--------------------------------------|------------------|
| July 1, 2016 to December 31, 2016    | \$17,697         |
| January 1, 2017 to December 31, 2017 | 30,079           |
| January 1, 2018 to December 31, 2018 | 30,096           |
| January 1, 2019 to December 31, 2019 | 30,115           |
| January 1, 2020 to December 31, 2020 | 31,754           |
| January 1, 2021 to December 31, 2025 | 151,869          |
| January 1, 2026 to December 31, 2030 | 133,442          |
| January 1, 2031 to December 31, 2035 | 83,600           |
| January 1, 2036 to December 31, 2040 | 40,293           |
| January 1, 2041 to December 31, 2045 | 4,554            |
| <b>Total</b>                         | <b>\$553,499</b> |

**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**

**STATEMENT OF CONTRIBUTED RESOURCES**

**As of June 30, 2016**

**(expressed in thousands of United States dollars)**

Schedule 3

| CONTRIBUTORS                              | CONTRIBUTIONS     |                                   |                           |                                |                        |   |
|---|-------------------|-----------------------------------|---------------------------|--------------------------------|------------------------|---|
|   | Total approved 1/ | Approved but not yet effective 2/ | Total contribution agreed | Amounts not yet made available | Amounts made available | Receivable from members Non negotiable demand notes |
| <b>Special Development Fund - Unified</b> |                   |                                   |                           |                                |                        |   |
| <u>Members</u>                            |                   |                                   |                           |                                |                        |   |
| Trinidad and Tobago                       | \$45,935          | \$-                               | \$45,935                  | 2,638                          | \$43,297               | \$7,784   |
| Jamaica                                   | 43,755            | -                                 | 43,755                    | 2,638                          | 41,117                 | 13,573  |
| Guyana                                    | 25,686            | -                                 | 25,686                    | 1,469                          | 24,217                 | 2,575   |
| Bahamas                                   | 25,685            | -                                 | 25,685                    | 1,469                          | 24,216                 | 11,126  |
| Barbados                                  | 25,681            | -                                 | 25,681                    | 1,469                          | 24,212                 | 2,832   |
| St. Vincent and the Grenadines            | 6,587             | -                                 | 6,587                     | 360                            | 6,227                  | 2,029   |
| Belize                                    | 6,575             | -                                 | 6,575                     | 360                            | 6,215                  | 2,252   |
| St. Kitts and Nevis                       | 6,575             | 1,441                             | 5,134                     | -                              | 5,134                  | 2,494   |
| St. Lucia                                 | 6,575             | -                                 | 6,575                     | 360                            | 6,215                  | 2,612   |
| Dominica                                  | 6,315             | -                                 | 6,315                     | 360                            | 5,955                  | 2,549   |
| Grenada                                   | 3,977             | -                                 | 3,977                     | 152                            | 3,825                  | 2,891   |
| Antigua and Barbuda                       | 2,889             | -                                 | 2,889                     | 158                            | 2,731                  | 777   |
| Anguilla                                  | 2,677             | 632                               | 2,045                     | -                              | 2,045                  | 736   |
| British Virgin Islands                    | 2,677             | -                                 | 2,677                     | 158                            | 2,519                  | -   |
| Montserrat                                | 2,677             | 632                               | 2,045                     | -                              | 2,045                  | -   |
| Turks and Caicos Islands                  | 2,677             | 632                               | 2,045                     | -                              | 2,045                  | -   |
| Cayman Islands                            | 2,577             | 1,237                             | 1,340                     | -                              | 1,340                  | -   |
| Haiti                                     | 2,505             | 945                               | 1,560                     | -                              | 1,560                  | -   |
| Suriname                                  | 2,160             | -                                 | 2,160                     | 540                            | 1,620                  | 1,080   |
| Colombia                                  | 30,657            | -                                 | 30,657                    | 881                            | 29,776                 | -   |
| Venezuela                                 | 25,506            | 3,524                             | 21,982                    | -                              | 21,982                 | -   |
| Mexico                                    | 20,524            | 3,524                             | 17,000                    | -                              | 17,000                 | -   |
| Canada                                    | 325,573           | -                                 | 325,573                   | 16,609                         | 308,964                | -   |
| United Kingdom                            | 262,097           | -                                 | 262,097                   | 11,041                         | 251,056                | -   |
| Germany                                   | 97,206            | -                                 | 97,206                    | 3,990                          | 93,216                 | 1,138   |
| Italy                                     | 65,398            | 3,244                             | 62,154                    | -                              | 62,154                 | -   |
| China                                     | 48,298            | -                                 | 48,298                    | 1,750                          | 46,548                 | -   |
|   | 1,099,444         | 15,811                            | \$1,083,633               | 46,402                         | 1,037,231              | 56,449  |
| <u>Other Contributors</u>                 |                   |                                   |                           |                                |                        |   |
| France                                    | 58,254            | -                                 | 58,254                    | -                              | 58,254                 | -   |
| Netherlands                               | 24,902            | -                                 | 24,902                    | -                              | 24,902                 | -   |
| Chile                                     | 10                | -                                 | 10                        | -                              | 10                     | -   |
|   | 1,182,610         | 15,811                            | 1,166,799                 | 46,402                         | 1,120,397              | 56,449  |
| Technical Assistance Allocation           | (430,600)         | -                                 | (430,600)                 | -                              | (430,600)              | -   |
| <b>Sub-total</b>                          | <b>752,010</b>    | <b>15,811</b>                     | <b>736,199</b>            | <b>46,402</b>                  | <b>689,797</b>         | <b>56,449</b>                                       |
| <b>Special Development Fund - Other</b>   |                   |                                   |                           |                                |                        |   |
| <u>Members</u>                            |                   |                                   |                           |                                |                        |   |
| Colombia                                  | \$5,000           | -                                 | \$5,000                   | -                              | \$5,000                | -   |
| Mexico 3/                                 | 13,067            | -                                 | 13,067                    | -                              | 13,067                 | -   |
| Venezuela                                 | 17,473            | -                                 | 17,473                    | -                              | 17,473                 | -   |
|   | 35,540            | -                                 | 35,540                    | -                              | 35,540                 | -   |
| <u>Other Contributors</u>                 |                   |                                   |                           |                                |                        |   |
| Sweden                                    | 3,062             | -                                 | 3,062                     | -                              | 3,062                  | -   |
| United States of America 4/               | -                 | -                                 | -                         | -                              | -                      | -   |
|   | 3,062             | -                                 | 3,062                     | -                              | 3,062                  | -   |
| <b>Sub-total</b>                          | <b>38,602</b>     | <b>-</b>                          | <b>38,602</b>             | <b>-</b>                       | <b>38,602</b>          | <b>-</b>  |
| <b>Total SDF - 2016</b>                   | <b>\$790,612</b>  | <b>\$15,811</b>                   | <b>\$774,801</b>          | <b>\$46,402</b>                | <b>\$728,399</b>       | <b>\$56,449</b>                                     |
| SUMMARY                                   |                   |                                   |                           |                                |                        |   |
| Members                                   | \$729,286         | \$15,811                          | \$713,475                 | \$46,402                       | \$667,073              | \$56,449  |
| Other contributors                        | 61,326            | -                                 | 61,326                    | -                              | 61,326                 | -   |
| <b>Total SDF - 2016</b>                   | <b>\$790,612</b>  | <b>\$15,811</b>                   | <b>\$774,801</b>          | <b>\$46,402</b>                | <b>\$728,399</b>       | <b>\$56,449</b>                                     |
| Total SDF - 2015                          | \$826,338         | \$16,443                          | \$809,895                 | \$81,827                       | \$728,068              | \$73,176  |

1/ Net of repayments.

2/ Contributions not yet formally pledged by Governments.

3/ Net of appropriation for Technical Assistance of \$2,266,000.

4/ Contributions with fixed repayment dates.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF CONTRIBUTED RESOURCES (Continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|   |                                      |                                      |  |                  | Schedule 3<br>(continued) |                                      |
|---|--------------------------------------|--------------------------------------|--|------------------|---------------------------|--------------------------------------|
| Currencies                                    | Amounts<br>made<br>available<br>2015 | Trans-<br>lation<br>adjust-<br>ments | Drawdowns/<br>Appropria-<br>tions from<br>Capital 1/ | Sub-total        | Repay-<br>ments           | Amounts<br>made<br>available<br>2016 |
| <b>(a) Special Development Fund - Unified</b> |                                      |                                      |  |                  |                           |                                      |
| Euros   | \$6,150                              | \$124                                | \$-  | \$6,274          | \$-                       | \$6,274                              |
| Pounds sterling                               | 14,819                               | (1,396)                              | (13,423)   | -                | -                         | -                                    |
| United States dollars                         | 668,479                              | -                                    | 15,044   | 683,523          | -                         | 683,523                              |
| <b>Total - June 30, 2016</b>                  | <b>\$689,448</b>                     | <b>\$(1,272)</b>                     | <b>\$(1,621)</b>                                     | <b>\$689,797</b> | <b>\$-</b>                | <b>\$689,797</b>                     |
| Total -December 31, 2015                      | \$658,164                            | \$(1,968)                            | \$33,252   | \$689,448        | \$-                       | \$689,448                            |
| <b>(b) Special Development Fund - Other</b>   |                                      |                                      |  |                  |                           |                                      |
| Swedish kroners                               | \$3,080                              | \$(18)                               | \$-  | \$3,062          | \$-                       | \$3,062                              |
| United States dollars                         | 35,540                               | -                                    | -  | 35,540           | -                         | 35,540                               |
| <b>Total - June 30, 2016</b>                  | <b>\$38,620</b>                      | <b>\$(18)</b>                        | <b>\$-</b>   | <b>\$38,602</b>  | <b>\$-</b>                | <b>\$38,602</b>                      |
| Total - December 31, 2015                     | \$38,908                             | \$(288)                              | \$-  | \$38,620         | \$-                       | \$38,620                             |

1/ Net of conversions to United States dollars in accordance with the funding Rules of the Unified Special Development Fund.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF ACCUMULATED NET INCOME**

**For the six months ended June 30, 2016**

(expressed in thousands of United States dollars)

Schedule 4

| Contributors                              | Brought<br>forward<br>2015 | Net<br>Income<br>2016 | Appro-<br>priations | Carried<br>forward<br>2016 |
|---|----------------------------|-----------------------|---------------------|----------------------------|
| <b>Special Development Fund (Unified)</b> | \$52,513                   | \$5,518               | \$-                 | \$58,031                   |
| <b>Special Development Fund (Other)</b>   |                            |                       |                     |                            |
| <b>Members</b>                            |                            |                       |                     |                            |
| Colombia                                  | 1,989                      | 44                    | -                   | 2,033                      |
| Germany                                   | (1,216)                    | (56)                  | -                   | (1,272)                    |
| Mexico                                    | 7,137                      | 215                   | -                   | 7,352                      |
| Venezuela                                 | 8,894                      | 113                   | (1,034)             | 7,973                      |
|   | 16,804                     | 316                   | \$(1,034)           | 16,086                     |
| <b>Other contributors</b>                 |                            |                       |                     |                            |
| Sweden                                    | 2,248                      | (21)                  | -                   | 2,227                      |
| United States of America                  | 11,299                     | 258                   | -                   | 11,557                     |
|   | 13,547                     | 237                   | \$-                 | 13,784                     |
|   | 30,351                     | 553                   | (1,034)             | 29,870                     |
| <b>Total Special Development Fund</b>     | <b>\$82,864</b>            | <b>\$6,071</b>        | <b>\$(1,034)</b>    | <b>\$87,901</b>            |
| <b>Summary</b>                            |                            |                       |                     |                            |
| Members                                   | 69,317                     | 5,834                 | (1,034)             | 74,117                     |
| Other contributors                        | 13,547                     | 237                   | -                   | 13,784                     |
| <b>Total SDF- June 30, 2016</b>           | <b>\$82,864</b>            | <b>\$6,071</b>        | <b>\$(1,034)</b>    | <b>\$87,901</b>            |
| Total SDF - December 31, 2015             | \$93,212                   | \$(3,314)             | \$(7,034)           | \$82,864                   |

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
STATEMENT OF FINANCIAL POSITION**

**As of June 30, 2016**

**(expressed in thousands of United States dollars, unless otherwise stated)**

|   | <b>2016</b>      | <b>December 31,<br/>2015</b> |
|---|------------------|------------------------------|
| <b>Assets</b>   |                  |                              |
| Cash and cash equivalents                                     | \$25,274         | \$28,810                     |
| Investments at fair value through profit or loss (Schedule 1) | 62,949           | 69,563                       |
| Loans outstanding (Schedule 2)                                | 107,213          | 110,356                      |
| <b>Receivables - other</b>                                    |                  |                              |
| Accounts receivable   | 56,376           | 56,377                       |
| <b>Total assets</b>   | <b>\$251,812</b> | <b>\$265,106</b>             |
| <b>Liabilities and Funds</b>                                  |                  |                              |
| <b>Liabilities</b>  |                  |                              |
| Accounts payable and accrued liabilities                      | \$1,268          | \$4,907                      |
| Accrued charges on contributions repayable                    | 260              | 219                          |
|   | <b>1,528</b>     | <b>5,126</b>                 |
| <b>Funds</b>  |                  |                              |
| Contributed resources (Schedule 3)                            |                  |                              |
| Contributions   | \$65,256         | \$66,600                     |
| Amounts made available  | 65,256           | 66,600                       |
| Accumulated net income (Schedule 4)                           | 62,258           | 59,162                       |
|   | <b>127,514</b>   | <b>125,762</b>               |
| Technical assistance and other grant resources (Schedule 5)   | 122,770          | 134,218                      |
| <b>Total liabilities and funds</b>                            | <b>\$251,812</b> | <b>\$265,106</b>             |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF NET INCOME AND TOTAL COMPREHENSIVE INCOME**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars, unless otherwise stated)**

|   | <u>2016</u>            | <u>2015</u>            |
|---|------------------------|------------------------|
| <b>Interest and similar income</b>                |                        |                        |
| Loans   | \$1,175                | \$1,243                |
| Investments and cash balances                     | 2,853                  | 9,556                  |
| <b>Gross income</b>                               | <u>4,028</u>           | <u>10,799</u>          |
| <b>Expenses</b>                                   |                        |                        |
| Administrative expenses                           | 622                    | 604                    |
| Charges on contributions                          | 506                    | 423                    |
| Foreign exchange translation                      | (196)                  | (169)                  |
| <b>Total expenses</b>                             | <u>932</u>             | <u>858</u>             |
| <b>Total comprehensive income for the period</b>  | <u><u>\$3,096</u></u>  | <u><u>\$9,941</u></u>  |
| <b>Accumulated net income</b>                     |                        |                        |
| <b>Accumulated net income - beginning of year</b> | \$59,162               | \$55,163               |
| Total comprehensive income for the period         | <u>3,096</u>           | <u>9,941</u>           |
| <b>Accumulated net income - end of period</b>     | <u><u>\$62,258</u></u> | <u><u>\$65,104</u></u> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF NET INCOME AND TOTAL COMPREHENSIVE INCOME**  
(expressed in thousands of United States dollars)

|  | <b>Apr - Jun<br/>2016</b> | <b>Apr - Jun<br/>2015</b> |
|--|---------------------------|---------------------------|
| <b>Income</b>  |                           |                           |
| From loans   | \$583                     | \$618                     |
| From investments and cash balances                           | 207                       | 9,672                     |
| <b>Gross Income</b>  | <b>790</b>                | 10,290                    |
| <b>Expenses</b>  |                           |                           |
| Administrative expenses                                      | 373                       | 223                       |
| Charges on contributions                                     | 228                       | 208                       |
| Exchange translation   | (174)                     | 367                       |
| <b>Total expenses</b>  | <b>427</b>                | 798                       |
| <b>Total comprehensive income for the period</b>             | <b>\$363</b>              | \$9,492                   |
| <hr/>  |                           |                           |
| <b>Accumulated net income and total comprehensive income</b> |                           |                           |
| <b>Accumulated net income - beginning of period</b>          | <b>\$61,895</b>           | \$55,612                  |
| Total comprehensive income for the period                    | 363                       | 9,492                     |
| <b>Accumulated net income - end of period</b>                | <b>\$62,258</b>           | \$65,104                  |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

|  | <u>2016</u>            | <u>2015</u>            |
|--|------------------------|------------------------|
| <b>Operating activities:</b>   |                        |                        |
| Total comprehensive income for the period  | <b>\$3,096</b>         | \$9,941                |
| Adjustments for non-cash items:  |                        |                        |
| Net unrealised gain on investments   | (210)                  | (479)                  |
| Interest income  | (6,767)                | (20,183)               |
| Interest expense   | 506                    | 423                    |
| Net foreign exchange loss/(gains)  | 149                    | (333)                  |
| <i>Total cash flow used in operating activities before changes<br/>in operating assets and liabilities</i> | <u>(3,226)</u>         | <u>(\$10,631)</u>      |
| Changes in operating assets and liabilities  |                        |                        |
| Decrease/(increase) in accounts receivable   | 1                      | (1)                    |
| Decrease in accounts payable   | (3,639)                | (241)                  |
| <i>Cash used in operating activities</i>   | <u>(6,864)</u>         | <u>(\$10,873)</u>      |
| Disbursements on loans   | (17)                   | (427)                  |
| Principal repayments to the Bank on loans  | 3,264                  | 3,215                  |
| Technical assistance disbursements   | (11,215)               | (6,111)                |
| Interest received  | 6,756                  | 20,161                 |
| Interest paid  | (465)                  | (433)                  |
| Net increase in investments  | 6,835                  | 1,881                  |
| <i>Net cash (used in)/provided by operating activities</i>   | <u>(1,706)</u>         | 7,413                  |
| <b>Financing activities:</b>   |                        |                        |
| Contributions:   |                        |                        |
| Repayments of contributions  | (1,597)                | (1,560)                |
| Technical assistance contributions   | (233)                  | (908)                  |
| <i>Net cash used in financing activities</i>   | <u>(1,830)</u>         | <u>(2,468)</u>         |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  | <b>(3,536)</b>         | 4,945                  |
| Cash and cash equivalents at beginning of year   | <u>28,810</u>          | 31,013                 |
| <b>Cash and cash equivalents at end of period</b>  | <u><u>\$25,274</u></u> | <u><u>\$35,958</u></u> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF INVESTMENTS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 1

|  | 2016            | December 31,<br>2015 |
|--|-----------------|----------------------|
|  | Market<br>value | Market<br>value      |
| <b>Debt securities at fair value through profit or loss</b>  |                 |                      |
| Government and Agency obligations                            | \$34,411        | \$39,120             |
| Supranationals   | 8,724           | 6,902                |
| <b>Other securities at fair value through profit or loss</b> |                 |                      |
| Time deposits  | 3,513           | 3,505                |
| Mutual funds   | 8,332           | 8,599                |
| Managed Funds  | 5               | 3,897                |
| Equity investments   | 7,833           | 7,420                |
| <b>Sub-total</b>   | <b>62,818</b>   | <b>69,443</b>        |
| Accrued interest   | 131             | 120                  |
| <b>Total</b>   | <b>\$62,949</b> | <b>\$69,563</b>      |

**Residual Term to Contractual Maturity**

|                               | 2016            | 2015            |
|-------------------------------|-----------------|-----------------|
| One month to three months     | \$18,801        | \$23,512        |
| From three months to one year | 16,102          | 14,647          |
| From one year to five years   | 28,046          | 31,404          |
| <b>Total</b>                  | <b>\$62,949</b> | <b>\$69,563</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS**

**June 30, 2016**

(expressed in thousands of United States dollars)

Schedule 2

| Member countries in which loans have been made | Total Loans Approved 1/ | Loans approved but not yet effective | Signed agreements | Principal repaid to bank | Undisbursed    | Loans Outstanding | Percentage of total loans outstanding |
|--|-------------------------|--------------------------------------|-------------------|--------------------------|----------------|-------------------|---------------------------------------|
| Anguilla                                       | \$500                   | \$-                                  | \$500             | \$500                    | \$-            | \$-               | 0.0                                   |
| Antigua and Barbuda                            | 8,306                   | -                                    | 8,306             | 4,617                    | -              | 3,689             | 3.5                                   |
| Bahamas  | -                       | -                                    | -                 | -                        | -              | -                 | 0.0                                   |
| Barbados                                       | 25,856                  | -                                    | 25,856            | 20,089                   | -              | 5,767             | 5.4                                   |
| Belize   | 8,495                   | -                                    | 8,495             | 8,495                    | -              | -                 | 0.0                                   |
| British Virgin Islands                         | 1,862                   | -                                    | 1,862             | 1,862                    | -              | -                 | 0.0                                   |
| Cayman Islands                                 | 2,802                   | -                                    | 2,802             | 2,802                    | -              | -                 | 0.0                                   |
| Dominica                                       | 35,932                  | -                                    | 35,932            | 17,518                   | 1,406          | 17,008            | 16.0                                  |
| Grenada  | 31,588                  | -                                    | 31,588            | 9,909                    | 4              | 21,675            | 20.3                                  |
| Guyana   | 20,599                  | -                                    | 20,599            | 17,524                   | -              | 3,075             | 2.9                                   |
| Jamaica  | 68,634                  | -                                    | 68,634            | 41,316                   | -              | 27,317            | 25.6                                  |
| Montserrat                                     | 1,192                   | -                                    | 1,192             | 1,192                    | -              | -                 | 0.0                                   |
| St. Kitts and Nevis                            | 7,683                   | -                                    | 7,683             | 5,279                    | -              | 2,403             | 2.3                                   |
| St. Lucia                                      | 38,028                  | 1,297                                | 36,731            | 18,748                   | 574            | 17,409            | 16.3                                  |
| St. Vincent and the Grenadines                 | 22,456                  | -                                    | 22,456            | 14,559                   | 261            | 7,636             | 7.2                                   |
| Trinidad and Tobago                            | 2,905                   | -                                    | 2,905             | 2,263                    | -              | 641               | 0.6                                   |
| Regional                                       | 2,220                   | -                                    | 2,220             | 2,220                    | -              | -                 | 0.0                                   |
| Sub-total                                      | 279,057                 | 1,297                                | 277,760           | 168,894                  | 2,245          | 106,622           | 100.0                                 |
| Accrued Interest                               | -                       | -                                    | -                 | -                        | -              | 591               |                                       |
| <b>Total - June 30, 2016</b>                   | <b>\$279,057</b>        | <b>\$1,297</b>                       | <b>\$277,760</b>  | <b>\$168,894</b>         | <b>\$2,245</b> | <b>\$107,213</b>  |                                       |
| Total - December 31, 2015                      | \$278,570               | \$1,297                              | \$277,273         | \$164,655                | \$2,262        | \$110,356         |                                       |

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**June 30, 2016**  
**(expressed in thousands of United States dollars)**

| Analysis<br>by<br>Special<br>Fund     | Total<br>loans<br>approved<br>1/ | Loans                                   |                           |                     | Out-<br>standing | Percent-<br>age of<br>loans<br>out-<br>standing | Schedule 2 |
|---------------------------------------|----------------------------------|---|---------------------------|---------------------|------------------|---|------------|
|                                       |                                  | approved<br>but<br>not yet<br>effective | Signed<br>agree-<br>ments | Principal<br>repaid |                  |   | (continud) |
| <b>MEMBERS</b>                        |                                  |   |                           |                     |                  |   |            |
| Trinidad and Tobago                   | 1,261                            | \$-                                     | \$1,261                   | \$1,258             | \$-              | \$3   | 0.0        |
| <b>OTHER CONTRIBUTORS</b>             |                                  |   |                           |                     |                  |   |            |
| Caribbean Development Bank            | 74,113                           | -                                       | 74,113                    | 21,661              | 574              | 51,878  | 48.7       |
| Nigeria                               | 9,635                            | -                                       | 9,635                     | 6,509               | -                | 3,126   | 2.9        |
| United States of America              | 93,008                           | -                                       | 93,008                    | 93,008              | -                | -   | 0.0        |
| Inter-American Development Bank       | 62,331                           | 1,297                                   | 61,034                    | 22,594              | 1,671            | 36,769  | 34.5       |
| European Union                        | 9,063                            | -                                       | 9,063                     | 7,569               | -                | 1,494   | 1.4        |
| International Development Association | 29,646                           | -                                       | 29,646                    | 16,295              | -                | 13,352  | 12.5       |
| Sub-total                             | 279,057                          | 1,297                                   | 277,760                   | 168,894             | 2,245            | 106,622   | 100.0      |
| Accrued interest                      | -                                | -                                       | -                         | -                   | -                | 591   |            |
| <b>Total - June 30, 2016</b>          | <b>\$279,649</b>                 | <b>\$1,297</b>                          | <b>\$278,352</b>          | <b>\$168,894</b>    | <b>\$2,245</b>   | <b>\$107,213</b>                                |            |
| Total - December 31, 2015             | \$278,570                        | \$1,297                                 | \$277,273                 | \$164,655           | \$2,262          | \$110,356                                       |            |

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars, unless otherwise stated)**

|                                | Schedule 2<br>(continued)         |                                      |                           |                    |                  |                  |                                   |
|--------------------------------|-----------------------------------|--------------------------------------|---------------------------|--------------------|------------------|------------------|-----------------------------------|
| Currencies<br>receivable       | Loans<br>Out-<br>standing<br>2015 | Trans-<br>lation<br>adjust-<br>ments | Net<br>interest<br>earned | Disburse-<br>ments | Sub-<br>Total    | Repay-<br>ments  | Loans<br>Out-<br>standing<br>2016 |
| Euros                          | \$1,573                           | \$32                                 | \$-                       | \$-                | \$1,605          | \$(111)          | \$1,494                           |
| Special Drawing Rights         | 11,013                            | 72                                   | -                         | -                  | 11,085           | (390)            | 10,695                            |
| United States dollars          | 97,179                            | -                                    | -                         | 17                 | 97,196           | (2,763)          | 94,433                            |
| <b>Sub-total</b>               | <b>109,765</b>                    | <b>104</b>                           | <b>-</b>                  | <b>17</b>          | <b>109,886</b>   | <b>(3,264)</b>   | <b>106,622</b>                    |
| Accrued interest <sup>1/</sup> | 591                               | -                                    | -                         | -                  | 591              | -                | 591                               |
| <b>Total - June 30, 2016</b>   | <b>\$110,356</b>                  | <b>\$104</b>                         | <b>\$-</b>                | <b>\$17</b>        | <b>\$110,477</b> | <b>\$(3,264)</b> | <b>\$107,213</b>                  |
| Total - December 31, 2015      | \$116,449                         | \$(734)                              | \$(49)                    | \$1,111            | \$116,777        | \$(6,421)        | \$110,356                         |

**Maturity structure of loans outstanding**

|                                      |           |
|--------------------------------------|-----------|
| July 1, 2016 to December 31, 2016    | \$3,943   |
| January 1, 2017 to December 31, 2017 | 6,853     |
| January 1, 2018 to December 31, 2018 | 6,855     |
| January 1, 2019 to December 31, 2019 | 6,857     |
| January 1, 2020 to December 31, 2020 | 6,860     |
| January 1, 2021 to December 31, 2025 | 33,120    |
| January 1, 2026 to December 31, 2030 | 23,952    |
| January 1, 2031 to December 31, 2035 | 13,595    |
| January 1, 2036 to December 31, 2040 | 1,472     |
| January 1, 2041 to December 31, 2045 | 654       |
| January 1, 2046 to December 31, 2052 | 3,052     |
|                                      | \$107,213 |

1/ Relates to amounts disbursed and outstanding

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF CONTRIBUTIONS**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars, unless otherwise stated)**

| <b>Contributors</b>                   | Schedule 3           |                                       |
|---------------------------------------|----------------------|---------------------------------------|
|                                       | <b>Contributions</b> |                                       |
|                                       | <b>Total<br/>1/</b>  | <b>Amounts<br/>made<br/>available</b> |
| <b>Members</b>                        |                      |                                       |
| Canada                                | \$6,545              | \$6,545                               |
| <b>Other Contributors</b>             |                      |                                       |
| Inter-American Development Bank       | \$148                | \$148                                 |
| <b>Contributed resources</b>          | <b>6,693</b>         | <b>6,693</b>                          |
| <b>Other contributors</b>             |                      |                                       |
| Inter-American Development Bank 1/    | \$38,381             | \$38,381                              |
| European Investment Bank 1/           | \$1,110              | \$1,110                               |
| United States of America              | \$1,950              | \$1,950                               |
| European Union                        | \$2,207              | \$2,207                               |
| International Development Association | \$14,915             | \$14,915                              |
| <b>Repayable contributions</b>        | <b>\$58,563</b>      | <b>\$58,563</b>                       |
| <b>Total - June 30, 2016</b>          | <b>\$65,256</b>      | <b>\$65,256</b>                       |
| Total - December 31, 2015             | \$66,600             | \$66,600                              |

1/ Net of cancellations and repayments.

**Maturity structure of repayable contributions outstanding**

|                                      |                 |
|--------------------------------------|-----------------|
| April 1, 2016 to December 31, 2016   | \$1,575         |
| January 1, 2017 to December 31, 2017 | 3,322           |
| January 1, 2018 to December 31, 2018 | 3,168           |
| January 1, 2019 to December 31, 2019 | 3,007           |
| January 1, 2020 to December 31, 2020 | 2,850           |
| January 1, 2021 to December 31, 2025 | 12,288          |
| January 1, 2026 to December 31, 2030 | 11,324          |
| January 1, 2031 to December 31, 2035 | 8,579           |
| January 1, 2036 to December 31, 2040 | 5,446           |
| January 1, 2041 to December 31, 2053 | 7,004           |
| <b>Total</b>                         | <b>\$58,563</b> |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF CONTRIBUTIONS (continued)**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 3  
(continued)

| <b>Currencies repayable</b>  | <b>Contributions made available 2015</b> | <b>Trans-lation adjust-ments</b> | <b>Drawdowns/ Appropriations from Capital</b> | <b>Sub-total</b> | <b>Repay-ments</b> | <b>Contributions made available 2016</b> |
|------------------------------|--|----------------------------------|---|------------------|--------------------|--|
| Canadian dollars             | \$1,442                                  | \$103                            | \$-   | \$1,545          | \$-                | \$1,545                                  |
| Euros                        | 3,368                                    | 67                               | -   | 3,435            | (118)              | 3,317                                    |
| Special Drawing Rights       | 12,574                                   | 83                               | -   | 12,657           | (366)              | 12,291                                   |
| United States dollars        | 49,216                                   | -                                | -   | 49,216           | (1,113)            | 48,103                                   |
| <b>Total - June 30, 2016</b> | <b>\$66,600</b>                          | <b>\$253</b>                     | <b>\$-</b>                                    | <b>\$66,853</b>  | <b>\$(1,597)</b>   | <b>\$65,256</b>                          |
| Total - December 31, 2015    | \$70,229                                 | \$(1,310)                        | \$699   | \$69,618         | \$(3,018)          | \$66,600                                 |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF ACCUMULATED NET INCOME**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars, unless otherwise stated)**

|                                       | Schedule 4                          |                                       |                                     |
|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| <b>Contributors</b>                   | <b>Brought<br/>forward<br/>2015</b> | <b>Net<br/>Income/(loss)<br/>2016</b> | <b>Carried<br/>forward<br/>2016</b> |
| General Funds                         | \$49,806                            | \$3,160                               | \$52,966                            |
| European Investment Bank              | (766)                               | (13)                                  | (779)                               |
| European Union                        | 2,480                               | 30                                    | 2,510                               |
| Inter-American Development Bank       | (497)                               | (174)                                 | (671)                               |
| International Development Association | 346                                 | (12)                                  | 334                                 |
| Nigeria                               | 5,976                               | 15                                    | 5,991                               |
| United States of America              | 1,817                               | 90                                    | 1,907                               |
| <b>Total - June 30, 2016</b>          | <b>\$59,162</b>                     | <b>\$3,096</b>                        | <b>\$62,258</b>                     |
| Total - December 31, 2015             | \$55,163                            | \$3,999                               | \$59,162                            |

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF TECHNICAL ASSISTANCE AND OTHER GRANT RESOURCES**  
**For the six months ended June 30, 2016**  
**(expressed in thousands of United States dollars)**

Schedule 5

| Contributors                    | Contributors     |                              |                     | Net<br>amounts<br>available |
|---------------------------------|------------------|------------------------------|---------------------|-----------------------------|
|                                 | Total<br>1/      | Amounts<br>made<br>available | Amounts<br>utilised |                             |
| <b>Members</b>                  |                  |                              |                     |                             |
| Canada                          | \$58,750         | \$58,750                     | \$42,059            | \$16,691                    |
| United Kingdom                  | 23,020           | 23,020                       | 19,364              | 3,656                       |
| Italy                           | 522              | 522                          | 252                 | 270                         |
|                                 | 82,292           | 82,292                       | 61,675              | 20,617                      |
| <b>Other contributors</b>       |                  |                              |                     |                             |
| Caribbean Development Bank      | 230,537          | 230,537                      | 144,293             | 86,244                      |
| United States of America        | 1,407            | 1,407                        | 1,407               | -                           |
| Inter-American Development Bank | 3,549            | 3,549                        | 3,354               | 195                         |
| China                           | 677              | 677                          | 198                 | 479                         |
| Venezuela                       | 605              | 605                          | -                   | 605                         |
| Nigeria                         | 193              | 193                          | 147                 | 46                          |
| European Commission             | 17,576           | 17,576                       | 5,328               | 12,248                      |
| GIZ                             | 262              | 262                          | 220                 | 42                          |
| EIB Climate Action Support      | 2,184            | 2,184                        | 91                  | 2,093                       |
|                                 | 201              | 201                          | -                   | 201                         |
| Sub-total                       | 257,191          | 257,191                      | 155,038             | 102,153                     |
| <b>Total - June 30, 2016</b>    | <b>\$339,483</b> | <b>\$339,483</b>             | <b>\$216,713</b>    | <b>\$122,770</b>            |
| Total - December 31, 2015       | \$339,716        | \$339,716                    | \$205,498           | \$134,218                   |
| <b>Summary</b>                  |                  |                              |                     |                             |
| Basic Needs Trust Fund          | \$157,250        | \$157,250                    | \$110,449           | \$46,801                    |
| Other Resources                 | 182,233          | 182,233                      | 106,264             | 75,969                      |
| <b>Total -June 30, 2016</b>     | <b>\$339,483</b> | <b>\$339,483</b>             | <b>\$216,713</b>    | <b>\$122,770</b>            |
| Basic Needs Trust Fund          | \$157,250        | \$157,250                    | \$100,616           | \$56,634                    |
| Other Resources                 | \$182,466        | \$182,466                    | \$104,882           | \$77,584                    |
| Total - December 31, 2015       | \$339,716        | \$339,716                    | \$205,498           | \$134,218                   |

1/ Net of cancellations and resources fully utilised and expended in non-reimbursable operations.