

**FIRST BERMUDA GROUP LTD.**

## Consolidated Balance Sheets

June 30, 2009 and 2008

*(Expressed in Bermuda Dollars)*

	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash and demand deposits	\$ 10,089,636	\$ 10,998,610
Term deposits	<u>30,934,843</u>	<u>30,335,421</u>
Total cash and cash equivalents (Note 3)	41,024,479	41,334,031
Available-for-sale securities (Note 5)	5,811,034	1,781,748
Mortgages and loans receivable, net (Notes 3, 4 and 11(c))	152,468,202	142,621,265
Accounts receivable	866,240	433,536
Amount due from Corner Development Limited (Note 11(a))	72,000	72,000
Investment in Corner Development Limited	1,542,397	1,441,399
Property and equipment (Note 7)	317,745	409,001
Other assets (Note 11(b))	125,964	173,985
Goodwill	<u>300,000</u>	<u>300,000</u>
Total assets	<u>\$ 202,528,061</u>	<u>\$ 188,566,965</u>
<b>Liabilities</b>		
Demand deposits	\$ 8,844,831	\$ 7,942,962
Term deposits	<u>178,324,673</u>	<u>170,844,669</u>
Total deposits (Notes 6 and 11(d))	187,169,504	178,787,631
Subordinated debt (Note 9)	1,500,000	1,500,000
Accounts payable and accrued liabilities	553,579	584,824
Other liabilities (Note 11(b))	<u>1,100</u>	<u>1,013</u>
Total liabilities	<u>189,224,183</u>	<u>180,873,468</u>
<b>Shareholders' equity</b>		
Common Shares (Note 10)	100,781	99,047
Preference Shares (Note 10)	350	-
Share premium (Note 10)	6,483,800	2,846,360
Treasury stock (Note 10)	-	(259,200)
Accumulated other comprehensive income (Note 5)	999,813	474,310
Retained earnings	<u>5,719,134</u>	<u>4,532,980</u>
Total shareholders' equity	<u>13,303,878</u>	<u>7,693,497</u>
Total liabilities and shareholders' equity	<u>\$ 202,528,061</u>	<u>\$ 188,566,965</u>

*See accompanying notes to consolidated financial statements*

Signed on behalf of the Board

**Michael Schroter**

Director

**Jeff Conyers**

Director