

Girobank N.V.

Financial Highlights

December 31, 2005

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Directors' report

As Managing Directors of GiRObank N.V. we are proud to report that 2005 has proven to be a very successful year for our bank. As compared to 2004 our total assets increased by 39% from ANG 385 million to ANG 536 million, whereas the loans and advances show an increase of no less than 88%, from ANG 86 million to ANG 162 million. Customers' deposits have increased by 23%, which evidences an increase of the number of customers, but is also - in our opinion - a confirmation of our "old" customers having regained their confidence in our bank.

In December of 2005 an amount of ANG 9 million was contributed to the bank's capital by its majority shareholder. Further capital contributions in the total amount of approximately ANG 18 million are expected to be made by our two leading shareholders in 2006. This will provide more growth opportunities for the bank in future years. Already in 2005 the total shareholders' equity almost doubled compared to 2004 (from ANG 23.6 million to ANG 40.6 million).

During this past year not only did we focus on becoming larger and stronger as a bank, we also made it our goal to increase our corporate citizenship role within the local community. To encourage our sports practicing youth substantial financial contributions were made and sponsorship agreements were entered into with different organizations, e.g. "Atletiek Vereniging Sparta", a track-and-field youth club established in Curaçao with members primarily residing in the area of Boca Sami and Jan Doret, as well as various Little League baseball clubs located in less fortunate neighbourhoods. Girobank has also proudly sponsored the softball female Little League, whose team became the international semi-champions last year.

The Kingdom Games (*Koninkrijksspelen*) held in Curaçao last year was yet another important sporting youth event, of which Girobank was one of the main – so-called platinum – sponsors, as was the case with a big fundraising event organized by the Child Rights Foundation. The proceeds of this latter event will be allocated to a total of six play-centres to be placed in various neighbourhoods in Curaçao.

Last but not least, Girobank is in the process of incorporating a foundation with the sole purpose of granting scholarships to outstanding students with less financial resources. Anticipating the establishment of this foundation, in December last year Girobank granted a scholarship to a promising youngster who is now studying medicine at a reputable university located in Costa Rica. Once established, the foundation will be fully funded by Girobank.

In 2006 *Girobank* N.V. will be celebrating its 10th anniversary. Incorporated on March 5, 1996 as “Giro Curaçao N.V.” – originating from the former governmental clearing service known as “Girodienst” – the bank started its actual operations in July that year. By deed dated December 29, 2000 the name “Giro Curaçao N.V.” was amended into *Girobank* N.V. to reflect more accurately the fact that it operates as a full-fledged commercial bank.

During the fiscal years 2001 up to and including 2003 the bank suffered losses, which, fortunately, in 2004 were converted into a net profit of ANG 3.4 million. We are now proud to report that in 2005 our net profit increased by no less than 135% to a record high of almost ANG 8 million! We owe this achievement not only to our valued customers, but also to our dedicated staff and Supervisory Directors. Without their support and hard work our bank would not be what it is today: a stable, dependable and steadily growing bank.

We look to the future with great confidence. There are clear indications that our tourism sector will grow considerably. The Hyatt and Renaissance hotel projects – in which latter *Girobank* participates as co-leading bank in a consortium of financing institutions – will result in more employment opportunities in the coming years. Once these hotels become operational, the number of available hotel rooms will increase substantially, which will enable us to accommodate more tourists. More employment and more tourists will lead to more economic activity. This will undeniably benefit all local banks and businesses, including *Girobank*.

Whatever future developments may bring, *Girobank* will continue to support, to the extent possible, new projects and initiatives that can benefit the local community in general and the Curaçao economy in particular.

Eric L. Garcia,
on behalf of the Managing Board of *Girobank* N.V.
Curaçao, March 2006

Financial Highlights

1.1 Balance sheet as of December 31, 2005

(All amounts expressed in thousands of Netherlands Antillean Guilders)

	<u>2005</u>	<u>2004</u>
	ANG	ANG
Assets		
Cash and due from banks	184,410	158,808
Investment securities	180,302	129,244
Loans and advances to customers	162,129	86,244
Property, plant and equipment	3,133	5,044
Other assets	6,319	5,892
Total assets	<u><u>536,293</u></u>	<u><u>385,232</u></u>
Liabilities		
Customers' deposits	429,483	350,013
Due to other banks	55,337	2,562
Other liabilities	10,883	9,020
Total liabilities	<u>495,703</u>	<u>361,595</u>
Shareholders' equity		
Issued Capital	37,500	28,500
Share premium	1,004	1,004
Other reserve	4,664	2,919
Retained earnings / (deficit)	(2,578)	(8,786)
	<u>40,590</u>	<u>23,637</u>
Total liabilities and shareholders' equity	<u><u>536,293</u></u>	<u><u>385,232</u></u>

1.2 Statement of income for the year ended December 31, 2005

(All amounts expressed in thousands of Netherlands Antillean Guilders)

	2005	2004
	ANG	ANG
Interest income	27,258	22,023
Interest expenses	7,697	4,787
Net interest income	19,561	17,236
Fee and commission income	7,708	6,264
Net trading income	1,580	150
Operating income	28,849	23,650
Expenses		
Salaries and employee expenses	10,155	8,927
Occupancy expenses	5,667	6,431
Net impairment losses on loans and advances	733	972
Other operating expenses	4,341	3,939
Operating expenses	20,896	20,269
Net result before tax	7,953	3,381
Profit tax expenses	-	-
Net result after tax	7,953	3,381

1.3 Explanatory notes to the financial highlights for the year ended December 31, 2005

1.3.1 Significant accounting policies

General

The principal accounting policies adopted in the preparation of these financial highlights of Girobank N.V. ('the Bank') are set out below. These explanatory notes to the financial highlights are an extract of the detailed notes included in the financial statements and are consistent in all material respects with those from which they have been derived.

Basis of preparation

These financial statements, from which the financial highlights have been derived, are prepared in accordance with the provisions of Book 2, part 9 of the Dutch Civil Code and with accounting principles generally accepted in the Netherlands, except for the accounting for the General Provision for Loans and Leases ("GPLL"), which is accounted for in accordance with International Accounting Standard (IAS) 39.

The assets and liabilities are stated under the historical cost convention as modified by the revaluation of certain assets and liabilities to fair value.

The figures presented in these Financial Highlights are stated in thousands of Netherlands Antillean Guilders.

Comparative figures have been adjusted, where necessary, to conform with changes to presentation in the current year.

Investment securities

The Bank classifies its investment securities in the following categories: financial assets at fair value through profit or loss (trading) and held-to-maturity investments. Management determines the classification of its investments at initial recognition, but in general all government securities are classified as held-to-maturity and the marketable investments as trading.

Held-to-maturity investments are financial assets with fixed payments and maturities that the Bank's management has the intent and ability to hold to maturity. Held-to-maturity investments are carried at amortized cost.

A security is classified in the category trading if held principally for the purpose of short-term profit taking. These investments are measured at fair value. The gains and losses arising from changes in the market value of the trading securities are included in the income statement in the period in which they arise.

Loans and advances to customers

Loans and advances are stated at the principal outstanding net of unearned interest and reduced by an allowance for loan impairment.

An allowance for loan impairment is established if there is an indication that the Bank will not be able to collect all amounts due according to the original contractual loan terms. The net adjustment to the allowance account is recognized in the statement of income. The Bank also maintains a GPLL that is presented under "Other reserves". Additions to the GPLL are considered an appropriation of retained earnings.

1.3.2 Investment securities

This account consists of the following items:

	<u>2005</u>	<u>2004</u>
	ANG	ANG
Held to maturity	143,783	121,121
Trading portfolio	<u>36,519</u>	<u>8,123</u>
Total investment securities	<u><u>180,302</u></u>	<u><u>129,244</u></u>

1.3.3 Loans and advances to customers

The loans and advances are comprised of the following items:

	<u>2005</u>	<u>2004</u>
	ANG	ANG
Retail customers	32,668	27,144
Corporate customers	128,461	65,873
Other	<u>6,278</u>	<u>5,281</u>
Gross loans and advances to customers	167,407	98,298
Less allowance for loan impairment	<u>(5,278)</u>	<u>(12,054)</u>
Net loans and advances to customers	<u><u>162,129</u></u>	<u><u>86,244</u></u>

1.3.4 Customers' deposits

This includes deposits with credit institutions and other clients which consist of the following items:

	<u>2005</u>	<u>2004</u>
	ANG	ANG
Corporate customers	257,617	166,498
Other	99,021	123,936
Retail customers	<u>72,845</u>	<u>59,579</u>
Total of customers' deposits	<u><u>429,483</u></u>	<u><u>350,013</u></u>

1.4 Auditor's report

To the Shareholders and Board of
Supervisory Directors of Girobank N.V.
Curaçao

**Assurance & Business Advisory
Services**

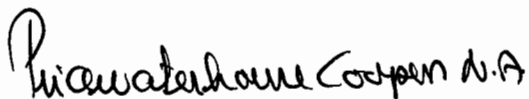
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Auditor's Report

We have audited the financial statements of Girobank N.V. (the "Bank") for the year ended December 31, 2005, from which these financial highlights, consisting of the balance sheet as of December 31, 2005, the statement of income and the explanatory notes for the year then ended, were derived, in accordance with the auditing standards generally accepted in The Netherlands. In our auditor's report dated March 1, 2006, we expressed an unqualified opinion on those financial statements.

In our opinion, the accompanying financial highlights as of December 31, 2005 are consistent, in all material respects, with the financial statements from which they have been derived. For a better understanding of the Bank's financial position and the results of its operations for the period and of the scope of our audit, the financial highlights should be read in conjunction with the financial statements from which they have been derived and our auditor's report thereon.

Curaçao, March 1, 2006



PricewaterhouseCoopers Netherlands Antilles