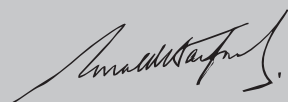


CHAIRMAN'S COMMENTS

Republic Financial Holdings Limited recorded profit attributable to shareholders of \$958.9 million for the nine months ended June 30, 2017, an increase of \$51.5 million or 5.7% over the corresponding period in 2016. Total assets stood at \$69.4 billion at June 30, 2017, an increase of 0.8% over June 2016 and 3.8% over September 2016.

While the Group continues to be challenged by weak economic conditions in several of the markets in which we operate, these creditable results were achieved through controlled growth of our loan and investment portfolios, cost control and sound risk management.

Barring any unforeseen events, we expect the performance of the first nine months to be sustained for the remainder of the fiscal year.



Ronald F. deC. Harford
Chairman
July 26, 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED		AUDITED
	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
ASSETS			
Cash resources	19,373,598	19,375,129	17,808,289
Advances	34,870,809	34,194,254	34,292,693
Investment securities	10,399,435	10,570,986	10,265,047
Premises and equipment	2,302,009	2,036,520	2,188,528
Net pension asset	975,435	1,198,715	1,010,851
Other assets	1,459,825	1,460,397	1,294,135
TOTAL ASSETS	69,381,111	68,836,001	66,859,543
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	177,484	146,846	167,481
Customers' deposits and other funding instruments	55,042,622	55,400,047	53,474,919
Debt securities in issue	1,108,946	1,158,878	1,148,792
Other liabilities	3,173,790	2,474,804	2,525,656
TOTAL LIABILITIES	59,502,842	59,180,575	57,316,848
EQUITY			
Stated capital	775,168	765,493	765,950
Statutory reserves	1,222,480	1,212,198	1,212,651
Other reserves	899,597	600,976	951,932
Retained earnings	6,531,050	6,570,836	6,194,078
Attributable to equity holders of the parent	9,428,295	9,149,503	9,124,611
Non-controlling interest	449,974	505,923	418,084
TOTAL EQUITY	9,878,269	9,655,426	9,542,695
TOTAL LIABILITIES AND EQUITY	69,381,111	68,836,001	66,859,543

CONSOLIDATED STATEMENT OF INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED YEAR ENDED
	June-30-17 \$'000	June-30-16 \$'000	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
Net interest income	797,471	739,285	2,398,558	2,278,470	3,057,147
Other income	369,598	376,803	1,099,461	1,070,281	1,413,741
Operating income	1,167,069	1,116,088	3,498,019	3,348,751	4,470,888
Operating expenses	(649,790)	(623,729)	(2,031,158)	(1,950,652)	(2,613,040)
	517,279	492,359	1,466,861	1,398,099	1,857,848
Net share of (profits)/loss of associated companies	2,599	(6,224)	6,555	(3,438)	(1,045)
Operating profit	519,878	486,135	1,473,416	1,394,661	1,856,803
Goodwill impairment expense	—	—	—	—	(107,309)
Loan impairment expense	(49,373)	(48,008)	(129,954)	(154,756)	(412,622)
Profit before taxation	470,505	438,127	1,343,462	1,239,905	1,336,872
Taxation expense	(122,410)	(100,092)	(329,596)	(300,418)	(393,759)
Net profit after taxation	348,095	338,035	1,013,866	939,487	943,113
Attributable to:					
Equity holders of the parent	328,341	321,130	958,890	907,433	946,307
Non-controlling interest	19,754	16,905	54,976	32,054	(3,194)
	348,095	338,035	1,013,866	939,487	943,113
Earnings per share					
Basic			\$5.94	\$5.62	\$5.87
Diluted			\$5.93	\$5.61	\$5.86
Weighted average number of shares ('000)					
Basic			161,517	161,364	161,342
Diluted			161,667	161,620	161,592

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED YEAR ENDED
	June-30-17 \$'000	June-30-16 \$'000	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
Net profit after taxation	348,095	338,035	1,013,866	939,487	943,113
<i>Other comprehensive income (net of tax) that may be reclassified to profit and loss in subsequent periods:</i>					
Net gains/(losses) on available-for-sale financial assets	21,839	47,221	(672)	37,141	61,465
Translation adjustments	6,757	(37,331)	12,627	(13,105)	29,168
	28,596	9,890	11,955	24,036	90,633
<i>Other comprehensive income/(loss) (net of tax) that will not be reclassified to profit and loss in subsequent periods:</i>					
Re-measurement losses on defined benefit plans	41	—	(3,464)	—	(143,231)
Share of changes recognised directly in associate's equity	—	2,705	—	2,705	(626)
Other comprehensive income/(loss) for the period, net of taxation	28,636	12,595	8,491	26,741	(53,224)
Total comprehensive income for the period, net of taxation	376,731	350,630	1,022,357	966,228	889,889
Attributable to:					
Equity holders of the parent	357,168	334,256	972,626	919,704	876,069
Non-controlling interest	19,563	16,374	49,731	46,524	13,820
	376,731	350,630	1,022,357	966,228	889,889

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Statutory Reserves	Other Reserves	Retained Earnings	Total equity attributable to equity holders of the parent	Non- controlling Interest	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Period ended June 30, 2017							
Balance at October 1, 2016	765,950	1,212,651	951,932	6,194,078	9,124,611	418,084	9,542,695
Total comprehensive income for the period	—	—	16,946	955,680	972,626	49,731	1,022,357
Issue of shares	6,255	—	—	—	6,255	—	6,255
Share-based payment	2,963	—	—	—	2,963	—	2,963
Shares purchased for profit sharing scheme	—	—	(17,837)	—	(17,837)	—	(17,837)
Allocation of shares	—	—	45,662	—	45,662	—	45,662
Transfer to general contingency reserves	—	—	(95,949)	95,949	—	—	—
Transfer to statutory reserves	—	9,829	—	(9,829)	—	—	—
Share of changes in equity	—	—	—	—	—	437	437
Acquisition of non-controlling Interest	—	—	—	—	—	1,001	1,001
Other	—	—	(1,157)	1,157	—	—	—
Dividends	—	—	—	(705,985)	(705,985)	—	(705,985)
Dividends paid to non-controlling interest	—	—	—	—	—	(19,279)	(19,279)
Balance at June 30, 2017	775,168	1,222,480	899,597	6,531,050	9,428,295	449,974	9,878,269
Period ended June 30, 2016							
Balance at October 1, 2015	739,125	1,194,889	636,543	6,361,538	8,932,095	478,514	9,410,609
Total comprehensive income for the period	—	—	12,319	907,385	919,704	46,524	966,228
Issue of shares	21,945	—	—	—	21,945	—	21,945
Share-based payment	4,423	—	—	—	4,423	—	4,423
Shares purchased for profit sharing scheme	—	—	(78,461)	—	(78,461)	—	(78,461)
Allocation of shares	—	—	54,762	—	54,762	—	54,762
Transfer to general contingency reserves	—	—	(24,187)	24,187	—	—	—
Transfer to statutory reserves	—	17,309	—	(17,309)	—	—	—
Share of changes in equity	—	—	—	—	—	1,061	1,061
Dividends	—	—	—	(704,965)	(704,965)	—	(704,965)
Dividends paid to non-controlling interest	—	—	—	—	—	(20,176)	(20,176)
Balance at June 30, 2016	765,493	1,212,198	600,976	6,570,836	9,149,503	505,923	9,655,426
Year ended September 30, 2016							
Balance at October 1, 2015	739,125	1,194,889	636,543	6,361,538	8,932,095	478,514	9,410,609
Total comprehensive income for the period	—	—	71,806	804,263	876,069	13,820	889,889
Issue of shares	22,752	—	—	—	22,752	—	22,752
Share-based payment	4,073	—	—	—	4,073	—	4,073
Shares purchased for profit sharing scheme	—	—	(78,461)	—	(78,461)	—	(78,461)
Allocation of shares	—	—	54,762	—	54,762	—	54,762
Transfer to general contingency reserves	—	—	267,282	(267,282)	—	—	—
Transfer to statutory reserves	—	17,762	—	(17,762)	—	—	—
Acquisition of non-controlling Interest	—	—	—	16,442	16,442	(54,960)	(38,518)
Dividends	—	—	—	(704,965)	(704,965)	—	(704,965)
Dividends paid to non-controlling interest	—	—	—	—	—	(20,175)	(20,175)
Other	—	—	—	1,844	1,844	885	2,729
Balance at September 30, 2016	765,950	1,212,651	951,932	6,194,078	9,124,611	418,084	9,542,695

CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED NINE MONTHS ENDED		AUDITED YEAR ENDED
	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
Operating activities			
Profit before taxation	1,343,462	1,239,905	1,336,872
Adjustments for non-cash items	290,758	619,497	1,115,394
Increase in operating assets	(762,549)	(1,315,342)	(1,791,862)
Increase in operating liabilities	2,186,446	3,081,990	1,148,207
Taxes paid	(362,171)	(376,442)	(463,258)
Cash provided by operating activities	2,695,946	3,249,608	1,345,353
Investing activities			
Net decrease/(increase) in investments	11,670	(2,162,385)	(2,029,081)
Acquisition of additional interest in a subsidiary	(13,229)	—	(38,518)
Dividends from associated companies	2,808	970	1,705
Additions to premises and equipment	(322,739)	(319,890)	(438,756)
Proceeds from sale of premises and equipment	20,587	3,760	5,388
Cash used in investing activities	(300,903)	(2,477,545)	(2,499,262)
Financing activities			
Increase/(decrease) in balances due to other banks	10,003	(407,289)	(386,654)
Repayment of debt securities	(39,846)	(34,074)	(44,160)
Net proceeds from share issue	20,484	21,947	22,754
Shares purchased for profit sharing scheme	(17,837)	(78,461)	(78,461)
Allocation of shares from profit sharing plan	45,662	54,762	54,761
Dividends paid to shareholders of the parent	(705,985)	(704,965)	(704,965)
Dividends paid to non-controlling interest	(19,279)	(20,176)	(20,176)
Cash used in financing activities	(706,798)	(1,168,256)	(1,156,901)
Net increase/(decrease) in cash resources	1,688,245	(396,193)	(2,310,810)
Net foreign exchange difference	44,480	(387,555)	(384,171)
Cash and cash equivalents at beginning of period/year	10,797,135	13,492,116	13,492,116
Cash and cash equivalents at end of period/year	12,529,860	12,708,368	10,797,135
Supplemental information:			
Interest received during the period/year	2,826,648	2,668,529	3,589,431
Interest paid during the period/year	(427,358)	(376,367)	(517,335)
Dividends received	1,691	1,251	1,257

**NOTES TO THE INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**
1 Corporate information

Republic Financial Holdings Limited, the financial holding company for the Republic Group, is incorporated in the Republic of Trinidad and Tobago and its registered office is located at Republic House, 9-17 Park Street, Port of Spain. Republic Financial Holdings Limited is listed on the Trinidad and Tobago Stock Exchange.

The Republic Group (the 'Group') is a financial services group comprising several subsidiaries and associated companies. The Group is engaged in a wide range of banking, financial and related activities mainly in the Caricom region and Ghana.

2 Basis of preparation

This interim financial report for the period ended June 30, 2017 has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended September 30, 2016.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended September 30, 2016.

3 Capital commitments

	UNAUDITED		AUDITED
	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	269,433	511,915	520,904
Other capital expenditure authorised by the Directors but not yet contracted for	46,332	75,812	77,016

4 General Contingency Reserve

Specific provisions are made for non-performing advances based on the difference between the loan balances and the discounted realisable value of collateral held. These provisions are charged through the statement of income.

A General Contingency Reserve is created as an appropriation of retained earnings, for the difference between the specific provision and non-performing advances. When the collateral is realised, the reserve is released back to retained earnings. The General Contingency Reserve serves to enhance the Group's non-distributable capital base. As at June 30, 2017, the balance in the General Contingency Reserve of \$813.0 million is part of Other Reserves which totals \$899.6 million.

**NOTES TO THE INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (CONTINUED)**
5 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. A number of banking transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions, at market rates.

	UNAUDITED		AUDITED
	June-30-17 \$'000	June-30-16 \$'000	Sept-30-16 \$'000
Outstanding Balances			
Advances, investments and other assets			
Directors and key management personnel	20,669	15,074	18,706
Other related parties	270,732	143,464	216,923
	<u>291,401</u>	<u>158,538</u>	<u>235,628</u>
Deposits and other liabilities			
Directors and key management personnel	91,976	72,314	76,759
Other related parties	353,756	105,130	119,544
	<u>445,732</u>	<u>177,444</u>	<u>196,303</u>
Interest and other income			
Directors and key management personnel	736	681	1,672
Other related parties	26,568	9,943	44,442
	<u>27,304</u>	<u>10,624</u>	<u>46,114</u>
Interest and other expense			
Directors and key management personnel	3,507	2,732	13,536
Other related parties	13,379	3,076	7,803
	<u>16,886</u>	<u>5,808</u>	<u>21,339</u>
Key management compensation			
Short term benefits	27,229	30,574	34,437
Post employment benefits	–	–	19,495
Share-based payment	2,963	4,423	4,074
	<u>30,192</u>	<u>34,997</u>	<u>38,511</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

6 Segment reporting

The Group analyses its operations by geographic segments, reflecting its management structure as follows:

	Trinidad and Tobago \$'000	Barbados \$'000	Guyana \$'000	Cayman, Suriname and Eastern Caribbean \$'000	Ghana \$'000	Eliminations \$'000	Total \$'000
Unaudited Nine months ended June 30, 2017							
Operating income	3,226,554	464,783	235,569	337,279	257,508	(1,023,674)	3,498,019
Net profit before taxation	1,920,270	189,667	110,186	133,194	12,306	(1,022,161)	1,343,462
Total assets	53,928,201	9,349,732	4,737,274	8,993,584	2,887,343	(10,515,023)	69,381,111
Unaudited Nine months ended June 30, 2016							
Operating income	2,558,165	420,968	217,983	327,350	255,930	(431,645)	3,348,751
Net profit before taxation	1,345,489	151,418	103,433	92,074	167	(452,676)	1,239,905
Total assets	52,744,949	8,989,140	4,796,974	8,226,423	2,748,804	(8,670,289)	68,836,001
Audited Year ended September 30, 2016							
Operating income	3,299,291	569,313	294,888	386,022	356,123	(434,749)	4,470,888
Net profit/(loss) before taxation	1,376,002	193,998	133,779	109,485	(107,436)	(368,956)	1,336,872
Total assets	50,455,735	9,453,132	4,865,530	8,213,823	2,723,546	(8,852,223)	66,859,543

Eliminations represent outstanding balances with other entities within the Group which are required to be eliminated in the preparation of consolidated financial statements.

7 Contingent liabilities

As at June 30, 2017, there were certain legal proceedings outstanding against the Group. No provision has been made as professional advice indicates that it is unlikely that any significant loss will arise or that it would be premature at this stage of the action to determine that eventuality.