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CHAIRMAN'S COMMENTS

GROUP FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER ENDED JUNE 30, 2009

The Group recorded a solid performance. Profit from core operations for the nine months ended June 30, 2009 of \$1,285 million represents an increase of 6% over the comparative period.

I am also pleased to advise that net interest income and non interest income for the June quarter represents a 4% increase over the comparable quarter in 2008 and operating expenses have been contained at 3% less than the same quarter last year.

Our after tax profits of \$741.3 million however represents a 20.9% decline over the comparative period due to increased provisions this year and one-off gains in 2008.

The current worldwide economic downturn has negatively impacted all the economies in which we operate. This in turn has affected the performance of some of our customers and hence our provisioning. We have increased provisions by \$55.7 million for the quarter to \$257.4 million for the period. Additionally, for the period we have strengthened our non-distributable capital base by the transfer of \$439.2 million from retained earnings to the General Contingency Reserve.

While there are encouraging reports of improvement in the global economy, the near-term outlook remains uncertain. The Group is well poised to manage in the present environment and is taking the necessary steps to maintain its strong performance.

Ronald F. deC. Harford
Chairman

CONSOLIDATED BALANCE SHEET

| | UNAUDITED June-30-09 \$'000 | UNAUDITED June-30-08 \$'000 | AUDITED Sept-30-08 \$'000 |
|---|-----------------------------------|-----------------------------------|---------------------------------|
| ASSETS | | | |
| Cash resources | 10,634,795 | 8,693,588 | 9,841,967 |
| Advances | 22,144,415 | 21,700,456 | 22,841,399 |
| Investment securities | 4,846,631 | 7,431,763 | 5,058,584 |
| Premises and equipment | 1,406,556 | 1,193,858 | 1,300,274 |
| Net pension asset | 1,133,835 | 1,084,765 | 1,090,852 |
| Other assets | 1,390,746 | 1,527,270 | 1,433,624 |
| TOTAL ASSETS | 41,556,978 | 41,631,700 | 41,566,700 |
| LIABILITIES & EQUITY | | | |
| LIABILITIES | | | |
| Due to banks | 318,961 | 371,914 | 403,297 |
| Customers' deposits and other funding instruments | 31,576,761 | 32,169,719 | 31,693,823 |
| Debt securities in issue | 1,440,557 | 1,416,205 | 1,531,111 |
| Other liabilities | 1,803,244 | 1,874,973 | 1,887,179 |
| | 35,139,523 | 35,832,811 | 35,515,410 |
| EQUITY | | | |
| Stated capital | 582,306 | 566,487 | 568,747 |
| Statutory reserves | 495,454 | 317,070 | 426,180 |
| Other reserves | 753,526 | 232,678 | 185,577 |
| Retained earnings | 4,068,868 | 4,209,526 | 4,378,099 |
| | 5,900,154 | 5,325,761 | 5,558,603 |
| Minority interest | 517,301 | 473,128 | 492,687 |
| TOTAL LIABILITIES & EQUITY | 41,556,978 | 41,631,700 | 41,566,700 |

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS NINE MONTHS ENDED JUNE 30, 2009

CONSOLIDATED STATEMENT OF INCOME

| | UNAUDITED THREE MONTHS ENDED | | UNAUDITED NINE MONTHS ENDED | | AUDITED YEAR ENDED |
|--|---------------------------------|----------------------|--------------------------------|----------------------|-----------------------|
| | June-30-09 \$'000 | June-30-08 \$'000 | June-30-09 \$'000 | June-30-08 \$'000 | Sept-30-08 \$'000 |
| Net interest income | 519,989 | 478,966 | 1,573,394 | 1,411,385 | 1,983,835 |
| Other income | 266,975 | 276,296 | 739,598 | 773,857 | 994,128 |
| | 786,964 | 755,262 | 2,312,992 | 2,185,242 | 2,977,963 |
| Loan impairment expense | (55,719) | (8,407) | (257,439) | (29,241) | (34,390) |
| Operating expenses | (328,850) | (338,183) | (1,048,400) | (998,709) | (1,435,349) |
| Operating profit | 402,395 | 408,672 | 1,007,153 | 1,157,292 | 1,508,224 |
| Share of profits of associated companies | 7,420 | 8,780 | 20,456 | 27,697 | 40,766 |
| Allocation of Visa Inc. shares | - | - | - | 112,050 | 112,050 |
| Profit before taxation | 409,815 | 417,452 | 1,027,609 | 1,297,039 | 1,661,040 |
| Taxation | (78,421) | (86,940) | (220,285) | (280,625) | (354,352) |
| Loss on discontinued operations | - | - | - | (2,552) | (2,552) |
| Net profit after taxation | 331,394 | 330,512 | 807,324 | 1,013,862 | 1,304,136 |
| Attributable to: | | | | | |
| Equity holders of the parent | 309,091 | 307,689 | 741,262 | 937,340 | 1,203,890 |
| Minority interest | 22,303 | 22,823 | 66,062 | 76,522 | 100,246 |
| | 331,394 | 330,512 | 807,324 | 1,013,862 | 1,304,136 |
| Earnings per share | | | | | |
| Basic | | | \$4.62 | \$5.85 | \$7.51 |
| Diluted | | | \$4.60 | \$5.84 | \$7.50 |
| Average number of shares ('000) | | | | | |
| Basic | | | 160,569 | 160,260 | 160,295 |
| Diluted | | | 161,225 | 160,496 | 160,538 |

CONSOLIDATED STATEMENT OF CASH FLOWS

| | UNAUDITED NINE MONTHS ENDED June-30-09 \$'000 | UNAUDITED NINE MONTHS ENDED June-30-08 \$'000 | AUDITED YEAR ENDED Sept-30-08 \$'000 |
|---|---|---|--|
| Operating Activities | | | |
| Profit before taxation | 1,027,609 | 1,297,039 | 1,661,040 |
| Adjustments for non-cash items | 348,575 | 17,274 | (13,353) |
| Decrease / (increase) in operating assets | 411,166 | (3,104,323) | (3,760,154) |
| (Decrease) / increase in operating liabilities | (155,968) | 3,245,338 | 2,808,695 |
| Corporation taxes paid | (285,850) | (206,989) | (279,954) |
| Cash provided by operating activities | 1,345,532 | 1,248,339 | 416,274 |
| Investing Activities | | | |
| Net (increase) / decrease in investments | (389,927) | (1,440,764) | 913,586 |
| Net change in the composition of the Group | - | - | (6,101) |
| Dividends from associated companies | 11,892 | 13,383 | 21,063 |
| Additions to fixed assets | (210,960) | (218,140) | (395,810) |
| Proceeds from sale of fixed assets | 3,362 | 10,306 | 73,396 |
| Cash (used in) / provided by investing activities | (585,633) | (1,635,215) | 606,134 |
| Financing Activities | | | |
| Decrease in balances due to other banks | (84,336) | (228,656) | (197,273) |
| Repayment of debt securities | (104,456) | (42,183) | (43,399) |
| Net proceeds from bond issue | - | 657,097 | 776,535 |
| Net proceeds from share issue | 7,328 | 8,462 | 9,157 |
| Dividends paid to shareholders of the parent | (542,428) | (504,708) | (504,708) |
| Dividends paid to minority shareholders of the subsidiaries | (43,345) | (43,181) | (43,181) |
| Cash used in financing activities | (767,237) | (153,169) | (2,869) |
| Net (decrease) / increase in cash resources | (7,338) | (540,045) | 1,019,539 |
| Net foreign exchange difference | (4,267) | 17,330 | 10,791 |
| Cash and cash equivalents at beginning of period / year | 6,399,805 | 5,369,475 | 5,369,475 |
| Cash and cash equivalents at end of period / year | 6,388,200 | 4,846,760 | 6,399,805 |
| Supplemental Information: | | | |
| Interest received during the period / year | 2,334,242 | 2,314,056 | 3,141,777 |
| Interest paid during the period / year | 744,789 | 824,219 | 1,116,333 |
| Dividends received | 2,213 | 2,409 | 2,711 |



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**UNAUDITED THIRD QUARTER
FINANCIAL STATEMENTS
NINE MONTHS ENDED JUNE 30, 2009**

STATEMENT OF CHANGES IN EQUITY

| | Stated Capital \$'000 | Statutory Reserves \$'000 | Other Reserves \$'000 | Retained Earnings \$'000 | Total equity attributable to equity holders of the parent \$'000 | Minority Interest \$'000 | Total Equity \$'000 |
|--|-----------------------------|---------------------------------|-----------------------------|--------------------------------|--|--------------------------------|---------------------------|
| Period ended June 30, 2009 | | | | | | | |
| Balance at October 1, 2008 | 568,747 | 426,180 | 185,577 | 4,378,099 | 5,558,603 | 492,687 | 6,051,290 |
| Realized gains transferred to net profit | - | - | 227 | - | 227 | - | 227 |
| Revaluation of available-for-sale investments | - | - | 132,342 | - | 132,342 | 934 | 133,276 |
| Translation adjustments | - | - | 2,922 | - | 2,922 | 963 | 3,885 |
| Share of changes recognized directly in associate's equity | - | - | (6,789) | - | (6,789) | - | (6,789) |
| Total income and expense recognized directly in equity | - | - | 128,702 | - | 128,702 | 1,897 | 130,599 |
| Profit for the period | - | - | - | 741,262 | 741,262 | 66,062 | 807,324 |
| Total income and expense for the period | - | - | 128,702 | 741,262 | 869,964 | 67,959 | 937,923 |
| Issue of shares | 7,328 | - | - | - | 7,328 | - | 7,328 |
| Share-based payment | 6,231 | - | - | - | 6,231 | - | 6,231 |
| Transfer to general contingency reserves | - | - | 439,247 | (439,247) | - | - | - |
| Transfer to statutory reserves | - | 69,274 | - | (69,274) | - | - | - |
| Other | - | - | - | 456 | 456 | - | 456 |
| Dividends | - | - | - | (542,428) | (542,428) | - | (542,428) |
| Dividends paid to minorities | - | - | - | - | - | (43,345) | (43,345) |
| Balance at June 30, 2009 | 582,306 | 495,454 | 753,526 | 4,068,868 | 5,900,154 | 517,301 | 6,417,455 |
| Period ended June 30, 2008 | | | | | | | |
| Balance at October 1, 2007 | 552,486 | 308,608 | 187,850 | 3,812,929 | 4,861,873 | 425,555 | 5,287,428 |
| Realized gains transferred to net profit | - | - | (2,735) | - | (2,735) | - | (2,735) |
| Revaluation of available-for-sale investments | - | - | 55,839 | - | 55,839 | 21,680 | 77,519 |
| Revaluation - derivatives | - | - | (1,446) | - | (1,446) | - | (1,446) |
| Translation adjustments | - | - | (26,301) | - | (26,301) | (8,140) | (34,441) |
| Share of changes recognized directly in associate's equity | - | - | (445) | - | (445) | - | (445) |
| Total income and expense recognized directly in equity | - | - | 24,912 | - | 24,912 | 13,540 | 38,452 |
| Profit for the period | - | - | - | 937,340 | 937,340 | 76,522 | 1,013,862 |
| Total income and expense for the period | - | - | 24,912 | 937,340 | 962,252 | 90,062 | 1,052,314 |
| Issue of shares | 8,462 | - | - | - | 8,462 | - | 8,462 |
| Share-based payment | 5,539 | - | - | - | 5,539 | - | 5,539 |
| Transfer to general contingency reserves | - | - | 30,254 | (30,254) | - | - | - |
| Transfer to statutory reserves | - | 8,462 | - | (8,462) | - | - | - |
| Other | - | - | (10,338) | 2,681 | (7,657) | 692 | (6,965) |
| Dividends | - | - | - | (504,708) | (504,708) | - | (504,708) |
| Dividends paid to minorities | - | - | - | - | - | (43,181) | (43,181) |
| Balance at June 30, 2008 | 566,487 | 317,070 | 232,678 | 4,209,526 | 5,325,761 | 473,128 | 5,798,889 |
| Year ended September 30, 2008 | | | | | | | |
| Balance at October 1, 2007 | 552,486 | 308,608 | 187,850 | 3,812,929 | 4,861,873 | 425,555 | 5,287,428 |
| Realized gains transferred to net profit | - | - | (3,823) | - | (3,823) | 690 | (3,133) |
| Revaluation of available-for-sale investments | - | - | 6,743 | - | 6,743 | 15,059 | 21,802 |
| Translation adjustments | - | - | (16,803) | - | (16,803) | (5,682) | (22,485) |
| Share of changes recognized directly in associate's equity | - | - | (136) | - | (136) | - | (136) |
| Total income and expense recognized directly in equity | - | - | (14,019) | - | (14,019) | 10,067 | (3,952) |
| Profit for the year | - | - | - | 1,203,890 | 1,203,890 | 100,246 | 1,304,136 |
| Total income and expense for the year | - | - | (14,019) | 1,203,890 | 1,189,871 | 110,313 | 1,300,184 |
| Issue of shares | 9,157 | - | - | - | 9,157 | - | 9,157 |
| Share-based payment | 7,104 | - | - | - | 7,104 | - | 7,104 |
| Transfer to general contingency reserves | - | - | 22,084 | (22,084) | - | - | - |
| Transfer to statutory reserves | - | 117,572 | - | (117,572) | - | - | - |
| Other | - | - | (10,338) | 5,644 | (4,694) | - | (4,694) |
| Dividends | - | - | - | (504,708) | (504,708) | - | (504,708) |
| Dividends paid to minorities | - | - | - | - | - | (43,181) | (43,181) |
| Balance at September 30, 2008 | 568,747 | 426,180 | 185,577 | 4,378,099 | 5,558,603 | 492,687 | 6,051,290 |

NOTES TO THE FINANCIAL STATEMENTS

1 Corporate information

Republic Bank Limited (the 'Parent') is incorporated in the Republic of Trinidad and Tobago. It was continued under the provision of the Companies Act, 1995 on March 23, 1998 and its registered office is located at Republic House, 9-17 Park Street, Port of Spain.

The Republic Bank Group (the 'Group') is a financial services group comprising fifteen (15) subsidiaries and four (4) associated companies. The Group is engaged in a wide range of banking, financial and related activities in Trinidad and Tobago and the Caribbean.

The CL Financial Group holds through its various subsidiaries 52.77% of the shares of Republic Bank Limited.

On January 31, 2009, Central Bank of Trinidad & Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad & Tobago assumed control of the affairs of CLICO Investment Bank. Further, on February 13, 2009, the Central Bank of Trinidad & Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad & Tobago assumed control of the affairs of Colonial Life Insurance Company (Trinidad) Limited. CLICO Investment Bank and Colonial Life Insurance Company (Trinidad) Limited ("the Companies") own 51.85% of the shares in Republic Bank Limited. In accordance with the provisions of both Notifications, the Central Bank of Trinidad & Tobago has the power to deal with the shares and assets of the Companies, including the Republic Bank Limited shares. As at June 30, 2009, there has been no transfer of ownership of the Republic Bank Limited shares. In the interim therefore, and for the purpose of these financial statements, the related party note has been prepared in a manner consistent with previous publications.

2 Basis of preparation

This interim financial report for the period ended June 30, 2009 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, 2008.

3 Significant accounting policies

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 financial statements for the year ended September 30, 2008.

4 Capital commitments

| | UNAUDITED June-30-09 \$'000 | UNAUDITED June-30-08 \$'000 | AUDITED Sept-30-08 \$'000 |
|--|-----------------------------------|-----------------------------------|---------------------------------|
| Contracts for outstanding capital expenditure not provided for in the financial statements | 106,789 | 177,088 | 225,394 |
| Other capital expenditure authorized by the Directors but not yet contracted for | 111,689 | 65,748 | 13,843 |

5 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 income statement.

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 realized, 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, 2009, the balance in the General Contingency Reserve of \$656.8 million is part of Other Reserves which totals \$753.5 million.



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**UNAUDITED THIRD QUARTER
FINANCIAL STATEMENTS
NINE MONTHS ENDED JUNE 30, 2009**

NOTES TO THE FINANCIAL STATEMENTS

6 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 June-30-09 \$'000 | UNAUDITED June-30-08 \$'000 | AUDITED Sept-30-08 \$'000 |
|---|-----------------------------------|-----------------------------------|---------------------------------|
| Outstanding balances | | | |
| Loans, investments and other assets | | | |
| CL Financial Group | 767,785 | 756,190 | 885,478 |
| Associates | 1,396 | 3,977 | 3,758 |
| Directors and key management personnel | 29,751 | 29,728 | 33,843 |
| Other related parties | 114,401 | 11,881 | 11,132 |
| | 913,333 | 801,776 | 934,211 |
| Provision for amounts due from related parties | 151,000 | - | - |
| Deposits and other liabilities | | | |
| CL Financial Group | 448,248 | 348,873 | 1,076,995 |
| Associates | 243,923 | 5,174 | 81 |
| Directors and key management personnel | 49,950 | 39,065 | 45,522 |
| Other related parties | 32,904 | 90,976 | 11,580 |
| | 775,025 | 484,088 | 1,134,178 |
| Interest and other income | | | |
| CL Financial Group | 58,391 | 25,408 | 73,804 |
| Associates | 29 | 14 | 25 |
| Directors and key management personnel | 1,855 | 1,563 | 2,304 |
| Other related parties | 5,408 | 1,089 | 1,418 |
| | 65,683 | 28,074 | 77,551 |
| Interest and other expense | | | |
| CL Financial Group | 6,108 | 7,712 | 18,329 |
| Associates | 309 | 55 | 57 |
| Directors and key management personnel | 2,954 | 3,545 | 4,152 |
| Other related parties | 128 | 206 | 230 |
| | 9,499 | 11,518 | 22,768 |
| Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. | | | |
| Key management compensation | | | |
| Short term benefits | 32,530 | 28,901 | 45,788 |
| Post employment benefits | 1,001 | 1,169 | 1,343 |
| Termination benefits | 1,580 | 1,404 | 2,301 |
| Long term benefits | 32 | 51 | 179 |
| | 35,143 | 31,525 | 49,611 |

7 Segment reporting

The Group analyses its operations by both geographic and business segments. The primary format is geographic reflecting its management structure as follows:

| | Trinidad & Tobago \$'000 | Barbados \$'000 | Cayman, Guyana & Eastern Caribbean \$'000 | Eliminations \$'000 | Total - continuing operations \$'000 | Dominican Republic - discontinued operations \$'000 | Total \$'000 |
|--|--------------------------------|--------------------|---|------------------------|---|---|------------------|
| Unaudited | | | | | | | |
| Nine months ended June 30, 2009 | | | | | | | |
| Net interest income | 1,098,343 | 272,810 | 202,241 | - | 1,573,394 | - | 1,573,394 |
| Other income | 736,272 | 93,076 | 73,132 | (142,426) | 760,054 | - | 760,054 |
| Operating income | 1,834,615 | 365,886 | 275,373 | (142,426) | 2,333,448 | - | 2,333,448 |
| Operating expenses & loan impairment expense | (959,571) | (209,682) | (149,303) | 12,717 | (1,305,839) | - | (1,305,839) |
| Profit before taxation | 875,044 | 156,204 | 126,070 | (129,709) | 1,027,609 | - | 1,027,609 |
| Total assets | 29,738,268 | 9,258,783 | 7,647,206 | (5,087,279) | 41,556,978 | - | 41,556,978 |
| Total liabilities | 24,746,360 | 8,123,980 | 6,173,401 | (3,904,218) | 35,139,523 | - | 35,139,523 |
| Depreciation | 82,056 | 8,875 | 12,221 | - | 103,152 | - | 103,152 |
| Capital expenditure on premises & equipment | 145,167 | 46,261 | 19,532 | - | 210,960 | - | 210,960 |
| Unaudited | | | | | | | |
| Nine months ended June 30, 2008 | | | | | | | |
| Net interest income | 945,276 | 263,074 | 203,035 | - | 1,411,385 | 123 | 1,411,508 |
| Other income | 838,080 | 128,171 | 78,275 | (130,922) | 913,604 | 3,461 | 917,065 |
| Operating income | 1,783,356 | 391,245 | 281,310 | (130,922) | 2,324,989 | 3,584 | 2,328,573 |
| Operating expenses & loan impairment expense | (716,965) | (196,356) | (125,932) | 11,303 | (1,027,950) | (6,136) | (1,034,086) |
| Profit before taxation | 1,066,391 | 194,889 | 155,378 | (119,619) | 1,297,039 | (2,552) | 1,294,487 |
| Total assets | 30,244,784 | 9,753,511 | 7,880,776 | (6,247,371) | 41,631,700 | - | 41,631,700 |
| Total liabilities | 25,683,945 | 8,756,791 | 6,469,502 | (5,077,427) | 35,832,811 | - | 35,832,811 |
| Depreciation | 71,364 | 9,031 | 8,411 | - | 88,806 | - | 88,806 |
| Capital expenditure on premises & equipment | 166,315 | 9,145 | 42,680 | - | 218,140 | - | 218,140 |
| Audited | | | | | | | |
| Year ended September 30, 2008 | | | | | | | |
| Net interest income | 1,359,943 | 349,189 | 274,703 | - | 1,983,835 | 123 | 1,983,958 |
| Other income | 1,011,868 | 164,204 | 110,572 | (139,700) | 1,146,944 | 3,461 | 1,150,405 |
| Operating income | 2,371,811 | 513,393 | 385,275 | (139,700) | 3,130,779 | 3,584 | 3,134,363 |
| Operating expenses & loan impairment expense | (966,525) | (277,759) | (241,791) | 16,336 | (1,469,739) | (6,136) | (1,475,875) |
| Profit before taxation | 1,405,286 | 235,634 | 143,484 | (123,364) | 1,661,040 | (2,552) | 1,658,488 |
| Total assets | 29,983,345 | 9,818,254 | 7,615,652 | (5,850,551) | 41,566,700 | - | 41,566,700 |
| Total liabilities | 25,166,903 | 8,810,727 | 6,211,810 | (4,674,030) | 35,515,410 | - | 35,515,410 |
| Depreciation | 80,210 | 12,039 | 11,768 | - | 104,017 | - | 104,017 |
| Capital expenditure on premises & equipment | 216,951 | 60,333 | 118,526 | - | 395,810 | - | 395,810 |
| 8 Contingent liabilities | | | | | | | |
| As at June 30, 2009, 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. | | | | | | | |

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