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CHAIRMAN'S COMMENTS

GROUP FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED MARCH 31, 2010

The Group has recorded a profit attributable to equity holders of the parent of \$460 million for the half-year ended March 31, 2010, an increase of 6.5% over the corresponding period last year. Total assets now stand at \$44.3 billion, up 8% on the prior year.

The local economic environment is still characterised by high levels of liquidity and weak loan demand. On the other hand, interest rates have stabilised and provisioning levels are trending downwards. Recent IMF reports indicate that global recovery is occurring faster than expected, but the impact of this on regional economies has been minimal. In Trinidad and Tobago, economic growth is expected to slow, in part because the country is in the throes of a general election campaign.

The Board of Directors has declared a half-year dividend of \$1.15 (\$1.15, 2009) payable on May 28, 2010.

Ronald F. deC. Harford
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED Mar-31-10 \$'000	UNAUDITED Mar-31-09 \$'000	AUDITED Sept-30-09 \$'000
ASSETS			
Cash resources	13,050,939	10,170,482	10,924,501
Advances	21,404,931	21,888,122	21,916,562
Investment securities	5,813,612	4,957,488	5,624,200
Premises and equipment	1,523,577	1,379,640	1,495,988
Net pension asset	1,147,991	1,118,700	1,156,697
Other assets	1,314,246	1,458,473	1,328,407
TOTAL ASSETS	44,255,296	40,972,905	42,446,355
LIABILITIES & EQUITY			
LIABILITIES			
Due to banks	562,829	372,329	273,555
Customers' deposits and other funding instruments	33,711,785	31,057,200	32,233,539
Debt securities in issue	1,405,614	1,443,492	1,438,245
Other liabilities	1,606,431	1,874,702	1,745,288
TOTAL LIABILITIES	37,286,659	34,747,723	35,690,627
EQUITY			
Stated capital	587,866	580,229	583,911
Statutory reserves	551,714	473,302	510,784
Other reserves	818,517	650,376	669,083
Retained earnings	4,438,114	4,017,020	4,440,229
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	6,396,211	5,720,927	6,204,007
Non-controlling interest	572,426	504,255	551,721
TOTAL LIABILITIES & EQUITY	44,255,296	40,972,905	42,446,355

UNAUDITED HALF-YEAR FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2010

CONSOLIDATED STATEMENT OF INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-10 \$'000	Mar-31-09 \$'000	Mar-31-10 \$'000	Mar-31-09 \$'000	Sept-30-09 \$'000
Net interest income	485,388	515,352	1,003,491	1,053,405	2,100,444
Other income	230,940	237,951	454,769	472,623	1,025,571
Operating income	716,328	753,303	1,458,260	1,526,028	3,126,015
Operating expenses	(388,512)	(360,047)	(765,770)	(719,550)	(1,393,383)
Share of profits of associated companies	327,816	393,256	692,490	806,478	1,732,632
Loan impairment expense	(43,787)	(174,836)	(66,948)	(201,720)	(446,368)
Profit before taxation	295,413	224,883	639,263	617,794	1,313,701
Taxation	(52,819)	(47,583)	(137,449)	(141,864)	(274,865)
Net profit after taxation	242,594	177,300	501,814	475,930	1,038,836
Attributable to:					
Equity holders of the parent	224,135	155,350	460,142	432,171	948,445
Non-controlling interest	18,459	21,950	41,672	43,759	90,391
	242,594	177,300	501,814	475,930	1,038,836
Earnings per share					
Basic			\$2.87	\$2.69	\$5.91
Diluted			\$2.85	\$2.68	\$5.88
Average number of shares ('000)					
Basic			160,595	160,531	160,563
Diluted			161,627	161,205	161,211
Dividend based on the results of the period					
			\$1.15	\$1.15	\$3.38

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-10 \$'000	Mar-31-09 \$'000	Mar-31-10 \$'000	Mar-31-09 \$'000	Sept-30-09 \$'000
Net profit after taxation	242,594	177,300	501,814	475,930	1,038,836
Other comprehensive income:					
Net gains on available-for-sale investments	49,779	120,329	75,549	67,035	240,502
Tax expense	(4,673)	(12,484)	(7,034)	(4,494)	(30,685)
	45,106	107,845	68,515	62,541	209,817
Translation adjustments	22,264	6,734	25,141	12,402	31,082
Share of changes recognised directly in associate's equity	87	3,169	744	(671)	(5,462)
Other comprehensive income for the period, net of tax	67,457	117,748	94,400	74,272	235,437
Total comprehensive income for the period, net of tax	310,051	295,048	596,214	550,202	1,274,273
Attributable to:					
Equity holders of the parent	280,641	274,002	546,376	508,130	1,171,894
Non-controlling interest	29,410	21,046	49,838	42,072	102,379
	310,051	295,048	596,214	550,202	1,274,273



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**UNAUDITED HALF-YEAR
FINANCIAL STATEMENTS**
SIX MONTHS ENDED MARCH 31, 2010

CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED SIX MONTHS ENDED Mar-31-10 \$'000	UNAUDITED SIX MONTHS ENDED Mar-31-09 \$'000	AUDITED YEAR ENDED Sept-30-09 \$'000
Operating activities			
Profit before taxation	639,263	617,794	1,313,701
Adjustments for non-cash items	153,436	108,630	505,741
Decrease in operating assets	34,309	330,735	1,254,179
Increase/(decrease) in operating liabilities	1,300,157	(608,778)	427,073
Taxes paid	(115,768)	(195,080)	(377,325)
Cash provided by operating activities	2,011,397	253,301	3,123,369
Investing activities			
Net increase in investments	(2,150)	(324,986)	(596,166)
Dividends from associated companies	9,375	3,252	11,889
Additions to fixed assets	(103,872)	(147,690)	(310,757)
Proceeds from sale of fixed assets	1,209	572	3,837
Cash used in investing activities	(95,438)	(468,852)	(891,197)
Financing activities			
Increase/(decrease) in balances due to other banks	289,274	(30,968)	(129,742)
Repayment of debt securities	(32,631)	(87,619)	(92,866)
Net proceeds from share issue	-	7,328	7,328
Dividends paid to shareholders of the parent	(358,127)	(357,744)	(542,149)
Dividends paid to non-controlling interest	(29,133)	(30,504)	(43,345)
Cash used in financing activities	(130,617)	(499,507)	(800,774)
Net increase/(decrease) in cash resources	1,785,342	(715,058)	1,431,398
Net foreign exchange difference	(17,120)	(10,978)	(25,094)
Cash and cash equivalents at beginning of period/year	7,040,364	5,634,060	5,634,060
Cash and cash equivalents at end of period/year	8,808,586	4,908,024	7,040,364
Supplemental information:			
Interest received during the period/year	1,041,716	1,575,845	3,002,877
Interest paid during the period/year	487,790	526,230	962,349
Dividends received	118	1,610	2,312

CONSOLIDATED 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	Non- controlling Interest \$'000	Total Equity \$'000
Quarter ended March 31, 2010							
Balance at October 1, 2009	583,911	510,784	669,083	4,440,229	6,204,007	551,721	6,755,728
Total comprehensive income for the period	-	-	86,234	460,142	546,376	49,838	596,214
Share-based payment	3,955	-	-	-	3,955	-	3,955
Transfer to general contingency reserves	-	-	63,200	(63,200)	-	-	-
Transfer to statutory reserves	-	40,930	-	(40,930)	-	-	-
Dividends	-	-	-	(358,127)	(358,127)	-	(358,127)
Dividends paid to non-controlling interest	-	-	-	-	-	(29,133)	(29,133)
Balance at March 31, 2010	587,866	551,714	818,517	4,438,114	6,396,211	572,426	6,968,637
Quarter ended March 31, 2009							
Balance at October 1, 2008	568,747	426,180	185,577	4,378,099	5,558,603	492,687	6,051,290
Total comprehensive income for the period	-	-	75,959	432,171	508,130	42,072	550,202
Issue of shares	7,328	-	-	-	7,328	-	7,328
Share-based payment	4,154	-	-	-	4,154	-	4,154
Transfer to general contingency reserves	-	-	388,840	(388,840)	-	-	-
Transfer to statutory reserves	-	47,122	-	(47,122)	-	-	-
Other	-	-	-	456	456	-	456
Dividends	-	-	-	(357,744)	(357,744)	-	(357,744)
Dividends paid to non-controlling interest	-	-	-	-	-	(30,504)	(30,504)
Balance at March 31, 2009	580,229	473,302	650,376	4,017,020	5,720,927	504,255	6,225,182
Year ended September 30, 2009							
Balance at October 1, 2008	568,747	426,180	185,577	4,378,099	5,558,603	492,687	6,051,290
Total comprehensive income for the period	-	-	223,449	948,445	1,171,894	102,379	1,274,273
Issue of shares	7,328	-	-	-	7,328	-	7,328
Share-based payment	7,836	-	-	-	7,836	-	7,836
Transfer to general contingency reserves	-	-	260,057	(260,057)	-	-	-
Transfer to statutory reserves	-	84,604	-	(84,604)	-	-	-
Other	-	-	-	495	495	-	495
Dividends	-	-	-	(542,149)	(542,149)	-	(542,149)
Dividends paid to non-controlling interest	-	-	-	-	-	(43,345)	(43,345)
Balance at September 30, 2009	583,911	510,784	669,083	4,440,229	6,204,007	551,721	6,755,728

**NOTES TO THE INTERIM CONSOLIDATED
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 three (3) 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 52.39% of the shares of Republic Bank Limited.

On January 31, 2009, Central Bank of Trinidad and Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad and Tobago assumed control of the affairs of CLICO Investment Bank (CIB). Further, on February 13, 2009, the Central Bank of Trinidad and Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad and Tobago assumed control of the affairs of Colonial Life Insurance Company (Trinidad) Limited (CLICO). These two companies are part of the CL Financial Group.

In accordance with the provisions of both Notifications, the Central Bank of Trinidad and Tobago has the power to deal with the shares and assets of the Companies, including the Republic Bank Limited shares. As at March 31, 2010, the combined shareholding of CLICO and CIB is 51.47%. In the interim and for the purpose of these financial statements, the related party note has not been amended to reflect the Central Bank control and has been prepared in a manner consistent with previous publications.

2 Basis of preparation

This interim financial report for the period ended March 31, 2010 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, 2009.

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, 2009, except for the adoption of new Standards and Interpretations, noted below:

IAS 1 Revised - Presentation of Financial Statements (Revised)

The amendment to IAS 1 requires the changes in equity arising from transactions with owners in their capacity as owners to be disclosed separately from non-owner changes in equity. The adoption of this standard had no effect on the financial position or performance of the Group but resulted in the presentation of a new statement called the Consolidated Statement of Comprehensive Income.

IFRS 8 - Operating Segments

This standard requires disclosure and analysis of the Group's internal method of assessing the business. The adoption of this standard had no effect on the financial position or performance of the Group.

IFRS 3 (Revised) - Business Combinations and IAS 27 (Amended) - Consolidated and Separate Financial Statements

The amendment to IFRS 3 permits an entity to have a choice on a transaction by transaction basis whether to measure the non-controlling interest on acquisition of a subsidiary at fair value or at the respective share of the total net assets. The amendment to IAS 27 requires a change in the ownership interest of a subsidiary (without loss of control) to be accounted for as an equity transaction. The Group has had no new acquisitions for the year and as such, the adoption of this standard had no effect on the financial position or performance of the Group.

4 Capital commitments

	UNAUDITED Mar-31-10 \$'000	UNAUDITED Mar-31-09 \$'000	AUDITED Sept-30-09 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	46,893	81,645	78,169
Other capital expenditure authorised by the Directors but not yet contracted for	171,948	137,242	172,247

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 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 March 31, 2010, the balance in the General Contingency Reserve of \$540.8 million is part of Other Reserves, which totals \$818.5 million.



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NOTES TO THE INTERIM CONSOLIDATED
FINANCIAL STATEMENTS (CONTINUED)

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 Mar-31-10 \$'000	UNAUDITED Mar-31-09 \$'000	AUDITED Sept-30-09 \$'000
Outstanding balances			
Loans, investments and other assets			
CL Financial Group	276,751	836,642	368,742
Associates	3,552	5,949	2,777
Directors and key management personnel	30,078	30,958	30,923
Other related parties	110,161	118,354	110,065
	<u>420,542</u>	<u>991,903</u>	<u>512,507</u>
Provision for amounts due from related parties	<u>227,996</u>	<u>134,264</u>	<u>199,453</u>
Deposits and other liabilities			
CL Financial Group	392,974	551,338	476,869
Associates	-	21,583	-
Directors and key management personnel	119,567	49,775	112,092
Other related parties	33,601	33,526	38,951
	<u>546,142</u>	<u>656,222</u>	<u>627,912</u>
Interest and other income			
CL Financial Group	11,177	48,827	65,320
Associates	-	16	35
Directors and key management personnel	1,395	1,257	6,160
Other related parties	4,228	2,695	7,713
	<u>16,800</u>	<u>52,795</u>	<u>79,228</u>
Interest and other expense			
CL Financial Group	1,149	5,048	7,173
Associates	-	189	-
Directors and key management personnel	2,286	2,143	9,206
Other related parties	118	76	193
	<u>3,553</u>	<u>7,456</u>	<u>16,572</u>
Key management compensation			
Short term benefits	24,474	28,262	47,492
Post employment benefits	1,025	998	1,338
Termination benefits	1,541	1,644	2,111
Long term benefits	16	25	145
	<u>27,056</u>	<u>30,929</u>	<u>51,086</u>

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

7 Segment reporting

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

	Trinidad & Tobago \$'000	Barbados \$'000	Cayman, Guyana & Eastern Caribbean \$'000	Eliminations \$'000	Total \$'000
Unaudited Six months ended March 31, 2010					
Operating income	1,152,082	234,962	189,751	(118,535)	1,458,260
Profit before taxation	570,652	85,392	91,497	(108,278)	639,263
Total assets	31,971,809	9,216,850	8,083,814	(5,017,177)	44,255,296
Unaudited Six months ended March 31, 2009					
Operating income	1,217,974	244,425	181,786	(118,157)	1,526,028
Profit before taxation	539,289	101,687	85,555	(108,737)	617,794
Total assets	29,559,790	9,354,373	7,527,776	(5,469,034)	40,972,905
Audited Year ended September 30, 2009					
Operating income	2,411,061	492,979	368,579	(146,604)	3,126,015
Profit before taxation	1,061,539	214,537	167,556	(129,931)	1,313,701
Total assets	30,289,274	9,237,060	7,747,569	(4,827,548)	42,446,355

8 Contingent liabilities

As at March 31, 2010, 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.

