



CHAIRMAN'S COMMENTS

GROUP FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED JUNE 30, 2011

We are pleased to announce a Profit attributable to shareholders of \$806.1 million for the nine month period ended June 30, 2011, up 7.8% above the corresponding period last year. The Group's total assets grew by 3% and now stand at \$46.2 billion.

Our operations in Trinidad and Tobago continue to perform creditably in an environment of high liquidity and low loan demand. Guyana also continues to perform well. In Barbados and Grenada, tourism, which is the mainstay of these economies, continues to be negatively impacted by the slow economic recovery in Europe and the United States of America.

Overall, barring any unforeseen circumstances, we expect our end of year results to be satisfactory.

Ronald F. deC. Harford
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED		AUDITED
	Jun-30-11 \$'000	Jun-30-10 \$'000	Sept-30-10 \$'000
Assets			
Cash resources	13,263,255	13,459,968	13,900,103
Advances	22,124,151	21,327,595	21,847,038
Investment securities	6,758,954	6,056,380	6,216,335
Premises and equipment	1,556,943	1,541,385	1,569,708
Net pension asset	1,135,535	1,143,585	1,141,497
Other assets	1,311,798	1,244,054	1,227,420
Total Assets	46,150,636	44,772,967	45,902,101
Liabilities and Equity			
Liabilities			
Due to banks	178,242	289,873	283,736
Customers' deposits and other funding instruments	35,210,889	34,479,251	35,190,868
Debt securities in issue	1,267,058	1,350,813	1,346,809
Other liabilities	1,841,681	1,564,883	1,687,965
Total Liabilities	38,497,870	37,684,820	38,509,378
Equity			
Stated capital	595,277	589,824	590,406
Statutory reserves	677,239	574,370	598,369
Other reserves	786,910	811,650	742,858
Retained earnings	4,978,563	4,531,795	4,859,403
Attributable to equity holders of the parent	7,037,989	6,507,639	6,791,036
Non-controlling interest	614,777	580,508	601,687
Total equity	7,652,766	7,088,147	7,392,723
Total Liabilities and Equity	46,150,636	44,772,967	45,902,101

CONSOLIDATED STATEMENT OF INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED YEAR ENDED
	Jun-30-11 \$'000	Jun-30-10 \$'000	Jun-30-11 \$'000	Jun-30-10 \$'000	Sept-30-10 \$'000
Net interest income	518,268	503,637	1,575,163	1,507,128	2,065,937
Other income	242,356	218,869	725,654	673,638	948,144
Operating income	760,624	722,506	2,300,817	2,180,766	3,014,081
Operating expenses	(371,101)	(352,931)	(1,146,379)	(1,118,701)	(1,490,910)
	389,523	369,575	1,154,438	1,062,065	1,523,171
Share of profits/(losses) of associated companies	644	(4,664)	9,506	9,057	15,605
Operating profit	390,167	364,911	1,163,944	1,071,122	1,538,776
Loan impairment expense	(33,454)	(13,370)	(78,817)	(80,318)	(147,246)
Profit before taxation	356,713	351,541	1,085,127	990,804	1,391,530
Taxation expense	(64,869)	(47,821)	(233,139)	(185,270)	(317,145)
Net profit after taxation	291,844	303,720	851,988	805,534	1,074,385
Attributable to:					
Equity holders of the parent	280,738	287,283	806,071	747,425	993,874
Non-controlling interest	11,106	16,437	45,917	58,109	80,511
	291,844	303,720	851,988	805,534	1,074,385

Earnings per share

Basic	\$5.02	\$4.65	\$6.19
Diluted	\$5.02	\$4.65	\$6.19

Weighted average number of shares ('000)

Basic	160,595	160,595	160,595
Diluted	160,615	160,609	160,609

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED NINE MONTHS ENDED		AUDITED YEAR ENDED
	Jun-30-11 \$'000	Jun-30-10 \$'000	Jun-30-11 \$'000	Jun-30-10 \$'000	Sept-30-10 \$'000
Net profit after taxation	291,844	303,720	851,988	805,534	1,074,385
Other comprehensive income:					
Net gains on available-for-sale investments	12,087	12,490	11,774	88,039	127,725
Taxation impact	(1,994)	(124)	560	(7,158)	(8,037)
	10,093	12,366	12,334	80,881	119,688
Translation adjustments	745	(1,977)	6,514	23,164	18,129
Share of changes recognised directly in associate's equity	-	646	(128)	1,390	2,240
Other comprehensive income for the period, net of taxation	10,838	11,035	18,720	105,435	140,057
Total comprehensive income for the period, net of taxation	302,682	314,755	870,708	910,969	1,214,442
Attributable to:					
Equity holders of the parent	291,174	294,154	828,254	840,530	1,122,824
Non-controlling interest	11,508	20,601	42,454	70,439	91,618
	302,682	314,755	870,708	910,969	1,214,442





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
Period ended June 30, 2011							
Balance at October 1, 2010	590,406	598,369	742,858	4,859,403	6,791,036	601,687	7,392,723
Total comprehensive income for the period	-	-	22,186	806,068	828,254	42,454	870,708
Share-based payment	4,871	-	-	-	4,871	-	4,871
Transfer to general contingency reserves	-	-	21,866	(21,866)	-	-	-
Transfer to statutory reserves	-	78,870	-	(78,870)	-	-	-
Dividends	-	-	-	(586,172)	(586,172)	-	(586,172)
Dividends paid to non-controlling interest	-	-	-	-	-	(29,364)	(29,364)
Balance at June 30, 2011	595,277	677,239	786,910	4,978,563	7,037,989	614,777	7,652,766
Period ended June 30, 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	-	-	93,106	747,424	840,530	70,439	910,969
Share-based payment	5,913	-	-	-	5,913	-	5,913
Transfer to general contingency reserves	-	-	49,461	(49,461)	-	-	-
Transfer to statutory reserves	-	63,586	-	(63,586)	-	-	-
Dividends	-	-	-	(542,811)	(542,811)	-	(542,811)
Dividends paid to non-controlling interest	-	-	-	-	-	(41,652)	(41,652)
Balance at June 30, 2010	589,824	574,370	811,650	4,531,795	6,507,639	580,508	7,088,147
Year ended September 30, 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	-	-	128,950	993,874	1,122,824	91,618	1,214,442
Share-based payment	6,495	-	-	-	6,495	-	6,495
Transfer from general contingency reserves	-	-	(55,175)	55,175	-	-	-
Transfer to statutory reserves	-	87,585	-	(87,585)	-	-	-
Other	-	-	-	521	521	-	521
Dividends	-	-	-	(542,811)	(542,811)	-	(542,811)
Dividends paid to non-controlling interest	-	-	-	-	-	(41,652)	(41,652)
Balance at September 30, 2010	590,406	598,369	742,858	4,859,403	6,791,036	601,687	7,392,723

CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED		AUDITED
	NINE MONTHS ENDED Jun-30-11 \$'000	NINE MONTHS ENDED Jun-30-10 \$'000	YEAR ENDED Sept-30-10 \$'000
Operating activities			
Profit before taxation	1,085,127	990,804	1,391,530
Adjustments for non-cash items	222,068	219,648	306,148
(Increase)/decrease in operating assets	(358,952)	156,699	(715,790)
Increase in operating liabilities	118,275	2,051,059	2,859,659
Taxes paid	(195,504)	(189,499)	(262,128)
Cash provided by operating activities	871,014	3,228,711	3,579,419
Investing activities			
Net increase in investments	(548,028)	(259,575)	(286,245)
Dividends from associated companies	3,325	12,132	13,209
Additions to fixed assets	(107,452)	(153,463)	(296,884)
Proceeds from sale of fixed assets	4,308	2,218	91,767
Cash used in investing activities	(647,847)	(398,688)	(478,153)
Financing activities			
(Decrease)/increase in balances due to other banks	(105,494)	16,318	10,181
Repayment of debt securities	(79,751)	(87,432)	(91,436)
Dividends paid to shareholders of the parent	(586,172)	(542,811)	(542,811)
Dividends paid to non-controlling interest	(29,364)	(41,652)	(41,652)
Cash used in financing activities	(800,781)	(655,577)	(665,718)
Net (decrease)/increase in cash resources	(577,614)	2,174,446	2,435,548
Net foreign exchange difference	1,122	(15,977)	(14,726)
Cash and cash equivalents at beginning of period/year	9,461,186	7,040,364	7,040,364
Cash and cash equivalents at end of period/year	8,884,694	9,198,833	9,461,186
Supplemental information:			
Interest received during the period/year	1,897,769	2,066,075	2,750,535
Interest paid during the period/year	352,901	534,318	689,824
Dividends received	997	316	415

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 51.51% of the shares of Republic Bank Limited.

On January 31, 2009, the Central Bank of Trinidad and Tobago (CBTT) issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the CBTT assumed control of the affairs of CLICO Investment Bank Limited (CIB). On February 13, 2009, the CBTT issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the CBTT 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 CBTT has the power to deal with the assets of the Companies, including the Republic Bank Limited shares. The CBTT will not receive any benefit financial or otherwise from the exercise of its powers under the Central Bank Act. As at June 30, 2011, the combined shareholding of Republic Bank Limited for CLICO and CIB is 51.23%.

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 June 30, 2011 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, 2010.

3 Capital commitments

	UNAUDITED		AUDITED
	Jun-30-11 \$'000	Jun-30-10 \$'000	Sept-30-10 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	127,502	45,573	34,648
Other capital expenditure authorised by the Directors but not yet contracted for	145,376	163,108	122,253

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, 2011, the balance in the General Contingency Reserve of \$444.3 million is part of Other Reserves which totals \$786.9 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
	Jun-30-11 \$'000	Jun-30-10 \$'000	Sept-30-10 \$'000
Advances, investments and other assets (net of provisions)			
CL Financial Group	110,276	198,250	139,536
Associates	-	8,409	7,068
Directors and key management personnel	32,948	24,771	24,830
Other related parties	191,036	120,430	180,393
	<u>334,260</u>	<u>351,860</u>	<u>351,827</u>
Provision for amounts due from related parties	<u>-</u>	<u>227,990</u>	<u>310,418</u>
Deposits and other liabilities			
CL Financial Group	349,427	378,458	237,324
Directors and key management personnel	100,692	115,461	102,995
Other related parties	62,010	34,525	59,048
	<u>512,129</u>	<u>528,444</u>	<u>399,367</u>
Interest and other income			
CL Financial Group	8,438	15,697	16,036
Associates	-	7	7
Directors and key management personnel	1,374	2,021	2,339
Other related parties	7,565	6,456	12,750
	<u>17,377</u>	<u>24,181</u>	<u>31,132</u>
Interest and other expense			
CL Financial Group	1,815	1,510	1,666
Directors and key management personnel	5,195	4,843	6,236
Other related parties	311	471	370
	<u>7,321</u>	<u>6,824</u>	<u>8,272</u>

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	28,071	32,843	39,217
Share-based payment	4,871	5,913	6,495
	<u>32,942</u>	<u>38,756</u>	<u>45,712</u>

6 Segment reporting

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

	Trinidad and Tobago \$'000	Barbados \$'000	Cayman, Guyana and Eastern Caribbean \$'000	Eliminations \$'000	Total \$'000
Unaudited Nine months ended June 30, 2011					
Operating income	1,781,329	348,298	297,256	(126,066)	2,300,817
Net profit before taxation	979,836	87,541	141,757	(124,007)	1,085,127
Total assets	32,612,834	8,946,094	8,204,696	(3,612,988)	46,150,636
Unaudited Nine months ended June 30, 2010					
Operating income	1,689,861	349,842	284,168	(143,105)	2,180,766
Net profit before taxation	857,903	125,343	142,252	(134,694)	990,804
Total assets	32,492,937	9,094,017	8,105,250	(4,919,237)	44,772,967
Audited Year ended September 30, 2010					
Operating income	2,294,253	486,009	394,479	(160,660)	3,014,081
Net profit before taxation	1,166,805	174,346	197,781	(147,402)	1,391,530
Total assets	33,440,086	9,097,619	8,099,264	(4,734,868)	45,902,101

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, 2011, 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.