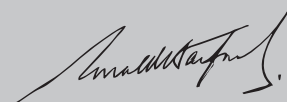


**CHAIRMAN'S COMMENTS**

Republic Bank Limited has recorded Profit attributable to shareholders of \$552.5 million for the half-year ended March 31, 2013, an increase of 0.4% over the corresponding period last year. Total assets stand at \$54.8 billion, an increase of 8.2% over March 2012 and 6.3% over the year ended September 2012.

The performance for the current period was adversely impacted by an impairment charge of \$49 million for the recently defaulted Government of Grenada Bond, booked in accordance with applicable International Financial Reporting Standards. The recent upswing in credit demand and strong growth in other income have helped the Group achieve a satisfactory half-year performance. Should these trends continue, we expect to sustain this performance through to the fiscal year end.

The Board of Directors has declared a half-year dividend of \$1.25 (2012:\$1.25) payable on May 31, 2013.



Ronald F. deC. Harford  
Chairman

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	UNAUDITED		AUDITED
	Mar-31-13 \$'000	Mar-31-12 \$'000	Sept-30-12 \$'000
<b>ASSETS</b>			
Cash resources	18,318,348	16,639,260	16,490,404
Advances	24,713,360	23,031,682	23,317,199
Investment securities	7,758,433	6,998,420	7,788,049
Premises and equipment	1,580,918	1,577,213	1,558,285
Net pension asset	1,265,571	1,233,283	1,254,584
Other assets	1,200,951	1,204,843	1,187,900
<b>TOTAL ASSETS</b>	<b>54,837,581</b>	<b>50,684,701</b>	<b>51,596,421</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Due to banks	77,315	171,996	84,506
Customers' deposits and other funding instruments	43,393,236	39,312,188	39,781,901
Debt securities in issue	1,234,861	1,245,979	1,240,547
Other liabilities	1,924,977	1,920,007	1,934,280
<b>TOTAL LIABILITIES</b>	<b>46,630,389</b>	<b>42,650,170</b>	<b>43,041,234</b>
<b>EQUITY</b>			
Stated capital	634,148	622,148	628,150
Statutory reserves	967,652	746,719	892,652
Other reserves	1,069,899	805,523	783,805
Retained earnings	5,270,958	5,220,131	5,586,968
<b>ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>7,942,657</b>	<b>7,394,521</b>	<b>7,891,575</b>
Non-controlling interest	264,535	640,010	663,612
Total equity	8,207,192	8,034,531	8,555,187
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>54,837,581</b>	<b>50,684,701</b>	<b>51,596,421</b>

**CONSOLIDATED STATEMENT OF INCOME**

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-13 \$'000	Mar-31-12 \$'000	Mar-31-13 \$'000	Mar-31-12 \$'000	Sept-30-12 \$'000
Net interest income	525,972	516,654	1,080,508	1,039,380	2,139,785
Other income	304,319	275,787	589,738	532,003	1,103,671
Operating income	830,291	792,441	1,670,246	1,571,383	3,243,456
Operating expenses	(469,290)	(394,290)	(890,044)	(793,936)	(1,617,936)
Share of profits of associated companies	3,812	4,193	3,856	10,911	12,220
Operating profit	364,813	402,344	784,058	788,358	1,637,740
Loan impairment expense	(27,849)	(43,374)	(45,052)	(43,972)	(103,601)
Profit before taxation	336,964	358,970	739,006	744,386	1,534,139
Taxation expense	(72,022)	(65,933)	(178,254)	(162,493)	(307,534)
<b>Net profit after taxation</b>	<b>264,942</b>	<b>293,037</b>	<b>560,752</b>	<b>581,893</b>	<b>1,226,605</b>
<b>Attributable to:</b>					
Equity holders of the parent	267,468	278,112	552,470	550,117	1,158,968
Non-controlling interest	(2,526)	14,925	8,282	31,776	67,637
	<b>264,942</b>	<b>293,037</b>	<b>560,752</b>	<b>581,893</b>	<b>1,226,605</b>
<b>Earnings per share</b>					
Basic			\$3.45	\$3.45	\$7.27
Diluted			\$3.44	\$3.44	\$7.25
<b>Weighted average number of shares ('000)</b>					
Basic			160,204	159,447	159,470
Diluted			160,666	159,747	159,776
<b>Dividend based on the results of the period</b>			\$1.25	\$1.25	\$4.25

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-13 \$'000	Mar-31-12 \$'000	Mar-31-13 \$'000	Mar-31-12 \$'000	Sept-30-12 \$'000
<b>Net profit after taxation</b>	<b>264,942</b>	<b>293,037</b>	<b>560,752</b>	<b>581,893</b>	<b>1,226,605</b>
<b>Other comprehensive income:</b>					
Net gains on available-for-sale investments	60,549	86,188	85,903	131,356	226,458
Taxation impact	(19,046)	(4,303)	(20,120)	(11,651)	(25,779)
	41,503	81,885	65,783	119,705	200,679
Translation adjustments	3,134	2,492	2,964	15,937	10,578
Share of changes recognised directly in associate's equity	(1,707)	1,582	2,260	(626)	2,518
Other comprehensive income for the period, net of taxation	42,930	85,959	71,007	135,016	213,775
<b>Total comprehensive income for the period, net of taxation</b>	<b>307,872</b>	<b>378,996</b>	<b>631,759</b>	<b>716,909</b>	<b>1,440,380</b>
<b>Attributable to:</b>					
Equity holders of the parent	304,188	363,022	626,661	681,094	1,372,446
Non-controlling interest	3,684	15,974	5,098	35,815	67,934
	<b>307,872</b>	<b>378,996</b>	<b>631,759</b>	<b>716,909</b>	<b>1,440,380</b>

### 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
<b>Period ended March 31, 2013</b>							
<b>Balance at October 1, 2012</b>	<b>628,150</b>	<b>892,652</b>	<b>783,805</b>	<b>5,586,968</b>	<b>7,891,575</b>	<b>663,612</b>	<b>8,555,187</b>
Total comprehensive income for the period	-	-	74,191	552,470	626,661	5,098	631,759
Issue of shares	2,601	-	-	-	2,601	-	2,601
Share-based payment	3,397	-	-	-	3,397	-	3,397
Allocation of shares	-	-	47,754	-	47,754	-	47,754
Transfer to general contingency reserves	-	-	164,149	(164,149)	-	-	-
Transfer to statutory reserves	-	75,000	-	(75,000)	-	-	-
Acquisition of non-controlling interests	-	-	-	(146,497)	(146,497)	(382,742)	(529,239)
Dividends	-	-	-	(482,834)	(482,834)	-	(482,834)
Dividends paid to non-controlling interest	-	-	-	-	-	(21,433)	(21,433)
<b>Balance at March 31, 2013</b>	<b>634,148</b>	<b>967,652</b>	<b>1,069,899</b>	<b>5,270,958</b>	<b>7,942,657</b>	<b>264,535</b>	<b>8,207,192</b>
<b>Period ended March 31, 2012</b>							
<b>Balance at October 1, 2011</b>	<b>596,492</b>	<b>697,775</b>	<b>526,988</b>	<b>5,263,110</b>	<b>7,084,365</b>	<b>620,715</b>	<b>7,705,080</b>
Total comprehensive income for the period	-	-	130,977	550,117	681,094	35,815	716,909
Issue of shares	22,409	-	-	-	22,409	-	22,409
Share-based payment	3,247	-	-	-	3,247	-	3,247
Allocation of shares	-	-	45,214	-	45,214	-	45,214
Transfer to general contingency reserves	-	-	102,344	(102,344)	-	-	-
Transfer to statutory reserves	-	48,944	-	(48,944)	-	-	-
Other	-	-	-	(113)	(113)	-	(113)
Dividends	-	-	-	(441,695)	(441,695)	-	(441,695)
Dividends paid to non-controlling interest	-	-	-	-	-	(16,520)	(16,520)
<b>Balance at March 31, 2012</b>	<b>622,148</b>	<b>746,719</b>	<b>805,523</b>	<b>5,220,131</b>	<b>7,394,521</b>	<b>640,010</b>	<b>8,034,531</b>
<b>Year ended September 30, 2012</b>							
<b>Balance at October 1, 2011</b>	<b>596,492</b>	<b>697,775</b>	<b>526,988</b>	<b>5,263,110</b>	<b>7,084,365</b>	<b>620,715</b>	<b>7,705,080</b>
Total comprehensive income for the period	-	-	213,478	1,158,968	1,372,446	67,934	1,440,380
Issue of shares	24,837	-	-	-	24,837	-	24,837
Share-based payment	6,821	-	-	-	6,821	-	6,821
Allocation of shares	-	-	45,214	-	45,214	-	45,214
Transfer from general contingency reserves	-	-	(1,875)	1,875	-	-	-
Transfer to statutory reserves	-	194,877	-	(194,877)	-	-	-
Other	-	-	-	711	711	-	711
Dividends	-	-	-	(642,819)	(642,819)	-	(642,819)
Dividends paid to non-controlling interest	-	-	-	-	-	(25,037)	(25,037)
<b>Balance at September 30, 2012</b>	<b>628,150</b>	<b>892,652</b>	<b>783,805</b>	<b>5,586,968</b>	<b>7,891,575</b>	<b>663,612</b>	<b>8,555,187</b>

### CONSOLIDATED STATEMENT OF CASH FLOWS

	Mar-31-13 \$'000	UNAUDITED SIX MONTHS ENDED Mar-31-12 \$'000	AUDITED YEAR ENDED Sept-30-12 \$'000
<b>Operating activities</b>			
Profit before taxation	739,006	744,386	1,534,139
Adjustments for non-cash items	169,090	88,200	218,464
Increase in operating assets	(1,909,443)	(1,557,948)	(2,161,554)
Increase in operating liabilities	3,560,601	3,179,358	3,711,554
Taxes paid	(155,359)	(139,546)	(351,033)
<b>Cash provided by operating activities</b>	<b>2,403,895</b>	<b>2,314,450</b>	<b>2,951,570</b>
<b>Investing activities</b>			
Net increase in investments	(71,800)	(114,052)	(847,266)
Dividends from associated companies	2,381	2,444	3,004
Additions to fixed assets	(104,055)	(82,191)	(154,184)
Proceeds from sale of fixed assets	1,129	98	6,717
<b>Cash used in investing activities</b>	<b>(172,345)</b>	<b>(193,701)</b>	<b>(991,729)</b>
<b>Financing activities</b>			
Decrease in balances due to other banks	(7,191)	(16,051)	(103,541)
Repayment of debt securities	(5,686)	(5,302)	(10,734)
Acquisition of non-controlling interest	(529,239)	-	-
Net proceeds from share issue	2,601	22,409	24,837
Allocation of shares from profit sharing plan	47,754	45,214	45,214
Dividends paid to shareholders of the parent	(482,834)	(441,695)	(642,819)
Dividends paid to non-controlling interest	(21,433)	(16,520)	(25,037)
<b>Cash used in financing activities</b>	<b>(996,028)</b>	<b>(411,945)</b>	<b>(712,080)</b>
<b>Net increase in cash resources</b>	<b>1,235,522</b>	<b>1,708,804</b>	<b>1,247,761</b>
Net foreign exchange difference	(858)	(9,022)	(4,077)
Cash and cash equivalents at beginning of period/year	11,509,304	10,265,620	10,265,620
<b>Cash and cash equivalents at end of period/year</b>	<b>12,743,968</b>	<b>11,965,402</b>	<b>11,509,304</b>
<b>Supplemental information:</b>			
Interest received during the period/year	1,258,242	1,178,612	2,464,027
Interest paid during the period/year	(170,765)	(191,257)	(362,925)
Dividends received	296	166	607

### 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 thirteen (13) 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. Republic Bank Limited is the ultimate parent of the Group. This company is listed on the Trinidad and Tobago Stock Exchange.

For the last financial year ending September 30, 2012, the CL Financial Group held through its various subsidiaries, 51.4% of the shares of Republic Bank Limited. 51.1% of these shares were held by CLICO Investment Bank Limited (CIB) and Colonial Life Insurance Company (Trinidad) Limited (CLICO), two companies within the CL Financial Group whose affairs have been under the control of the Central Bank of Trinidad and Tobago (CBTT) since 2009.

By order of the High Court dated October 17, 2011, CLICO Investment Bank Limited (CIB) was ordered to be wound up and the Deposit Insurance Corporation was appointed liquidator.

On November 1, 2012, the CLICO Investment Fund (the 'Fund') was launched by the Government of the Republic of Trinidad and Tobago. The Fund assets are comprised in part of 40,072,299 Republic Bank Limited shares representing 24.80% of the total share capital of Republic Bank Limited. These shares were transferred from Colonial Life Insurance Company (Trinidad) Limited to the Trustee, CLICO Trust Corporation Limited, free from encumbrances. This transaction had the effect of reducing the total CL Financial Group shareholding from 51.4% to 26.5%.

Effective November 1, 2012, the CL Financial Group is no longer considered a related party of Republic Bank Limited.

#### 2 Basis of preparation

This interim financial report for the period ended March 31, 2013 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, 2012.

#### 3 Capital commitments

	UNAUDITED		AUDITED
	Mar-31-13 \$'000	Mar-31-12 \$'000	Sept-30-12 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	141,037	102,054	172,907
Other capital expenditure authorised by the Directors but not yet contracted for	75,518	48,787	37,681

#### 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 March 31, 2013, the balance in the General Contingency Reserve of \$617.6 million is part of Other Reserves which totals \$1,069.9 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
	Mar-31-13 \$'000	Mar-31-12 \$'000	Sept-30-12 \$'000
<b>Outstanding Balances</b>			
<b>Advances, investments and other assets (net of provisions)</b>			
CL Financial Group	-	130,343	155,580
Directors and key management personnel	25,994	40,342	27,200
Other related parties	176,721	189,643	182,742
	<u>202,715</u>	<u>360,328</u>	<u>365,522</u>
<b>Provision for amounts due from related parties</b>	-	4,988	4,963
<b>Deposits and other liabilities</b>			
CL Financial Group	-	350,197	284,262
Directors and key management personnel	94,297	93,140	88,065
Other related parties	129,328	126,925	155,653
	<u>223,625</u>	<u>570,262</u>	<u>527,980</u>
<b>Interest and other income</b>			
CL Financial Group	-	7,090	14,005
Directors and key management personnel	740	1,201	1,734
Other related parties	6,210	5,893	12,306
	<u>6,950</u>	<u>14,184</u>	<u>28,045</u>
<b>Interest and other expense</b>			
CL Financial Group	-	1,278	231
Directors and key management personnel	1,778	3,440	7,012
Other related parties	266	173	297
	<u>2,044</u>	<u>4,891</u>	<u>7,540</u>

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

	Mar-31-13	Mar-31-12	Sept-30-12
<b>Key management compensation</b>			
Short term benefits	30,086	28,093	41,203
Share-based payment	3,397	3,247	6,821
	<u>33,483</u>	<u>31,340</u>	<u>48,024</u>

As stated in Note 1 (Corporate information), the CL Financial Group is no longer considered a related party of Republic Bank Limited as at November 1, 2012. As such, while the CL Financial Group still maintains balances with Republic Bank Limited and its subsidiaries, these balances have not been included in the related party note for the quarter ended March 2013. Prior period balances have however been maintained in the related party note.

**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
<b>Unaudited Six months ended March 31, 2013</b>					
Operating income	1,341,200	236,513	240,710	(148,177)	1,670,246
Net profit before taxation	720,148	48,524	102,434	(132,100)	739,006
Total assets	40,506,963	9,040,774	9,611,747	(4,321,903)	54,837,581
<b>Unaudited Six months ended March 31, 2012</b>					
Operating income	1,222,987	238,680	231,458	(121,742)	1,571,383
Net profit before taxation	674,446	67,727	118,907	(116,694)	744,386
Total assets	36,583,696	9,063,808	8,732,070	(3,694,873)	50,684,701
<b>Audited Year ended September 30, 2012</b>					
Operating income	2,451,770	469,491	460,486	(138,291)	3,243,456
Net profit before taxation	1,291,746	137,893	232,713	(128,213)	1,534,139
Total assets	37,336,417	8,745,627	9,077,743	(3,563,366)	51,596,421

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

**7 Acquisition of additional interest in Republic Bank (Barbados) Limited**

On December 5, 2012, Republic Bank Limited (RBL) made an offer to acquire the 34.9% non-controlling interest in Republic Bank (Barbados) Limited with the intention of increasing its ownership interest to 100%. As at March 31, 2013, 99.92% of the non-controlling interest was traded, bringing RBL's ownership interest to 99.97%. The details of the transaction are as follows:

	TT\$'000
- Consideration paid (US\$83.7M)	529,239
- Less Carrying value of additional shareholding acquired	382,742
<b>- Difference - recognised in retained earnings within equity</b>	<b>146,497</b>

**8 Contingent liabilities**

As at March 31, 2013, 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.