



Republic Bank
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UNAUDITED HALF YEAR FINANCIAL STATEMENTS ENDED MARCH 31, 2017

CHAIRMAN'S STATEMENT

Dear Stockholder,

Your Bank recorded an after-tax profit of \$1,360 million for the first half of fiscal 2017. This represents a decrease of \$64 million or 4.5% when compared with the corresponding period last year, driven mainly by an increase in our provision for loan losses of \$109 million.

On the basis of this performance, your Directors have approved an interim dividend of \$1.28 per stock unit (2016: \$1.28).

Notwithstanding the current challenging economic environment, your Bank will continue to focus on its growth objectives, containment of operating expenses and the application of sound risk management practices.

Nigel M. Baptiste
Chairman of the Board
April 18, 2017

Republic Bank (Guyana) Limited Statement of Financial Position

Expressed in millions of Guyana dollars

	UNAUDITED Mar-31-17	UNAUDITED Mar-31-16	AUDITED Sept-30-16
ASSETS			
Cash resources	14,336	24,571	16,162
Statutory deposit with Bank of Guyana	13,905	14,781	14,802
Investment securities	45,513	46,899	53,184
Advances	59,311	55,048	58,418
Other assets	2,406	3,258	2,148
Premises and equipment	7,314	6,157	6,744
Intangible assets	110	97	116
TOTAL ASSETS	142,895	150,811	151,574
LIABILITIES & STOCKHOLDERS' EQUITY			
LIABILITIES			
Customers' chequing, savings and deposit accounts	121,494	130,886	131,187
Due to banks	683	275	143
Pension liability	184	127	172
Other liabilities	3,380	3,732	3,357
TOTAL LIABILITIES	125,741	135,020	134,859
STOCKHOLDERS' EQUITY			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	3,083	2,105	2,845
Retained earnings	13,471	13,086	13,270
	17,154	15,791	16,715
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	142,895	150,811	151,574

Richard S. Sammy, *Managing Director*

Christine McGowan, *Corporate Secretary*

Roy E. Cheong, *Director, Chairman of Audit Committee*

Republic Bank (Guyana) Limited Statement of Income

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Mar-31-17	UNAUDITED THREE MONTHS ENDED Mar-31-16	UNAUDITED SIX MONTHS ENDED Mar-31-17	UNAUDITED SIX MONTHS ENDED Mar-31-16	AUDITED YEAR ENDED Sept-30-16
Net interest income	1,685	1,648	3,423	3,451	7,068
Other income	706	552	1,449	1,262	2,323
Operating income	2,391	2,200	4,872	4,713	9,391
Loan impairment expense	(304)	(80)	(444)	(335)	(786)
Operating expenses	(1,190)	(1,053)	(2,329)	(2,130)	(4,344)
Profit before tax	897	1,067	2,099	2,248	4,261
Tax	(310)	(389)	(739)	(824)	(1,558)
Net profit after tax	587	678	1,360	1,424	2,703
Earnings per stock unit (G\$)					
	1.96	2.26	4.53	4.75	9.01
Average number of stock units ('000,000)					
	300	300	300	300	300



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Republic Bank (Guyana) Limited Statement of Comprehensive Income

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Mar-31-17	UNAUDITED THREE MONTHS ENDED Mar-31-16	UNAUDITED SIX MONTHS ENDED Mar-31-17	UNAUDITED SIX MONTHS ENDED Mar-31-16	AUDITED YEAR ENDED Sept-30-16
Net profit after tax	587	678	1,360	1,424	2,703
<i>Other comprehensive income (net of tax) that may be reclassified to profit and loss in subsequent periods or have been transferred to profit and loss in the current period:</i>					
Net gain/(loss) on available-for-sale investments	16	35	(71)	(6)	67
<i>Other comprehensive income (net of tax) that will not be reclassified to profit and loss in subsequent periods:</i>					
Re-measurement loss on defined benefit plans	-	-	-	-	(43)
Total Comprehensive Income for the period, net of tax	603	713	1,289	1,418	2,727

Republic Bank (Guyana) Limited Statement of Cash Flows

Expressed in millions of Guyana dollars

	UNAUDITED SIX MONTHS ENDED Mar-31-17	UNAUDITED SIX MONTHS ENDED Mar-31-16	AUDITED YEAR ENDED Sept-30-16
Operating Activities			
Profit before taxation	2,099	2,248	4,261
Adjustments for non-cash items	637	522	1,187
Increase in operating assets	(641)	(4,363)	(6,506)
(Decrease)/increase in operating liabilities	(9,495)	7,654	7,659
Corporation taxes paid	(929)	(624)	(1,435)
Cash (used in)/from operating activities	(8,329)	5,437	5,166
Investing Activities			
Net decrease/(increase) in investments	7,703	2,561	(4,315)
Additions to premises and equipment	(761)	(599)	(1,422)
Proceeds from sale of premises and equipment	3	19	27
Cash from/(used in) investing activities	6,945	1,981	(5,710)
Financing Activities			
Increase/(decrease) in balances due to other banks	408	6	(56)
Dividends paid	(850)	(850)	(1,235)
Cash used in financing activities	(442)	(844)	(1,291)
Net (decrease)/increase in cash resources	(1,826)	6,574	(1,835)
Cash and cash equivalents at beginning of period/year	16,162	17,997	17,997
Cash and cash equivalents at end of period/year	14,336	24,571	16,162
Supplemental Information:			
Interest received during the period/year	3,581	4,280	7,610
Interest paid during the period/year	300	302	604
Dividends received	9	9	9

Republic Bank (Guyana) Limited Statement of Changes in Equity

Expressed in millions of Guyana dollars

	Stated Capital	Statutory Reserves	Other Reserves	Retained Earnings	Total Equity
Unaudited Six months ended March 31, 2017					
Balance at October 1, 2016	300	300	2,845	13,270	16,715
Total comprehensive (loss)/income for the period	-	-	(71)	1,360	1,289
Transfer to general banking risk reserve	-	-	309	(309)	-
Dividends	-	-	-	(850)	(850)
Balance at March 31, 2017	300	300	3,083	13,471	17,154
Unaudited Six months ended March 31, 2016					
Balance at October 1, 2015	300	300	2,251	12,372	15,223
Total comprehensive (loss)/income for the period	-	-	(6)	1,424	1,418
Transfer from general banking risk reserve	-	-	(140)	140	-
Dividends	-	-	-	(850)	(850)
Balance at March 31, 2016	300	300	2,105	13,086	15,791
Audited Year ended September 30, 2016					
Balance at October 1, 2015	300	300	2,251	12,372	15,223
Total comprehensive income for the period	-	-	67	2,703	2,770
Re-measurement loss on defined benefit plans	-	-	-	(43)	(43)
Transfer to general banking risk reserve	-	-	527	(527)	-
Dividends	-	-	-	(1,235)	(1,235)
Balance at September 30, 2016	300	300	2,845	13,270	16,715

Republic Bank (Guyana) Limited NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

1. Corporate information

The Bank was incorporated in the Co-operative Republic of Guyana on November 20, 1984 as a limited liability company and continued under the Companies Act, Chapter 89:01 on May 16, 1997 and is licensed as Bankers under the Financial Institutions Act, Chapter 85:03.

The Bank was registered as a reporting issuer under the Securities Industry Act, Chapter 73:04 on April 7, 2003. It was designated as an approved mortgage finance company by the Minister of Finance on September 2, 2003 in accordance with section 15 of the Income Tax Act, Chapter 81:01.

Banking operations began on February 16, 1837 by the British Guiana Bank which had been incorporated on November 11, 1836. On November 17, 1913 operations were sold to The Royal Bank of Canada. Assets and Liabilities of the Guyana operations of The Royal Bank of Canada were acquired by the Government of Guyana on November 29, 1984 and vested in the National Bank of Industry and Commerce Limited on December 1, 1984. In October 1997 the Bank became a subsidiary of Republic Bank Limited of Trinidad and Tobago now Republic Financial Holdings Limited and subsequently changed its name to Republic Bank (Guyana) Limited on June 5, 2006.

On December 16, 2015 by Legal Notice No. 215 of 2015, the business of Republic Bank Limited was transferred and vested into Republic Finance and Merchant Bank Limited (FINCOR) save for the shareholdings in several subsidiaries. FINCOR was renamed Republic Bank Limited and Republic Bank Limited was renamed Republic Financial Holdings Limited.

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 in the Caribbean and from November 2012, in Ghana.

2. Basis of preparation

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

3. Significant accounting policies

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



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Republic Bank (Guyana) Limited NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

4. Capital commitments

	UNAUDITED Mar-31-17	UNAUDITED Mar-31-16	AUDITED Sept-30-16
Contracts for outstanding capital expenditure not provided for in the financial statements	403	723	964
Other capital expenditure authorised by the Directors but not yet contracted for	-	61	-

5. General Banking Risk 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 Banking Risk 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 Banking Risk Reserve serves to enhance the Bank's non-distributable capital base. As at March 31, 2017, the balance in the General Banking Risk Reserve was \$3,204 million.

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-31-17	UNAUDITED Mar-31-16	AUDITED Sept-30-16
Outstanding balances			
Loans, investments and other assets			
Fellow subsidiaries	10	2	2
Directors and key management personnel	64	53	69
Other related parties	873	374	482
	947	429	553
No provisions have been made against amounts due from related parties.			
Deposits and other liabilities			
Parent Company	-	-	-
Fellow subsidiaries	105	616	81
Directors and key management personnel	134	111	122
Other related parties	1,969	1,915	2,182
	2,208	2,642	2,385
Interest and other income			
Parent Company	3	-	-
Directors and key management personnel	1	1	2
Other related parties	9	5	15
	13	6	17
Interest and other expense			
Fellow subsidiaries	47	47	95
Directors and key management personnel	4	7	7
Other related parties	5	8	17
	56	62	119
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank.			
Key management compensation			
Short term benefits	47	49	80
	47	49	80

Republic Bank (Guyana) Limited NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

7. Segment reporting

a) Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of the entity. The Bank has determined the Managing Director as its chief operating decision-maker.

Management considers its banking operation to be a single business unit. All business is conducted in Guyana with the exception of certain investment activities.

	Guyana	Trinidad and Tobago	Other Countries	Total
b) Unaudited Six months ended March 31, 2017				
Interest income and other income	2,371	158	9	2,538
Unaudited Six months ended March 31, 2016				
Interest income and other income	4,899	100	30	5,029
Audited Year ended September 30, 2016				
Interest income and other income	9,713	236	46	9,995

8. Contingent liabilities

a) As at March 31, 2017 there were certain legal proceedings outstanding against the Bank. 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 actions to determine that eventuality.

b) Customers' liabilities under acceptances, guarantees, indemnities and letters of credit.

These represent the Bank's potential liability, for which there are equal and offsetting claims against its customers in the event of a call on these commitments.

	UNAUDITED Mar-31-17	UNAUDITED Mar-31-16	AUDITED Sept-30-16
Guarantees	2,081	1,804	1,902
Letters of Credit	181	366	182
	2,262	2,170	2,084
Sectoral Information			
State	827	1,011	858
Corporate and commercial	1,435	1,159	1,216
Personal	0	-	10
	2,262	2,170	2,084

9. Interest of directors and executives and of their associates

Of these categories, the following persons held stock units in the Bank, all of which were held beneficially:

Names	March 31, 2017	March 31, 2016	September 30, 2016
Mr. John G. Carpenter	150,000 stock units*	150,000 stock units*	150,000 stock units*
Mr. Roy E. Cheong	87,000 stock units**	87,000 stock units**	87,000 stock units**
Mrs. Yolande M. Foo	315,000 stock units*	315,000 stock units*	315,000 stock units*

* (held jointly with an associate(s))

** (75,000 held jointly with an associate, and 12,000 held by an associate)



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