



CHAIRMAN'S STATEMENT

Dear Stockholder,

I wish to report that your Bank recorded an after-tax profit of \$1,355 million for the first half of fiscal 2018. This represents a marginal decline of \$5 million or 0.4% when compared with the corresponding period last year. Total assets increased by \$6.2 billion or 4.3% while total deposits increased by \$5.3 billion or 4.4% year-on-year.

On the basis of this performance, your Directors have approved an interim dividend of \$1.28 per stock unit (2017: \$1.28).

Your Directors remain focused on the achievement of the Bank's strategic objectives in the next half year of fiscal 2018.

Nigel M. Baptiste
Chairman of the Board
April 16, 2018

**Republic Bank (Guyana) Limited
Statement of Financial Position**

Expressed in millions of Guyana dollars

	UNAUDITED Mar-31-18	UNAUDITED Mar-31-17	AUDITED Sept-30-17
ASSETS			
Cash resources	17,018	14,336	13,862
Statutory deposit with Bank of Guyana	14,260	13,905	13,967
Investment securities	42,324	45,513	47,480
Advances	66,007	59,311	61,122
Other assets	2,170	2,406	2,752
Premises and equipment	7,152	7,314	7,247
Intangible assets	121	110	130
TOTAL ASSETS	149,052	142,895	146,560
LIABILITIES & STOCKHOLDERS' EQUITY			
LIABILITIES			
Customers' chequing, savings and deposit accounts	126,807	121,494	124,879
Due to banks	134	683	128
Pension liability	147	184	135
Other liabilities	3,171	3,380	3,118
TOTAL LIABILITIES	130,259	125,741	128,260
STOCKHOLDERS' EQUITY			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	3,646	3,083	3,530
Retained earnings	14,547	13,471	14,170
	18,793	17,154	18,300
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	149,052	142,895	146,560

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-31-18	UNAUDITED THREE MONTHS ENDED Mar-31-17	UNAUDITED SIX MONTHS ENDED Mar-31-18	UNAUDITED SIX MONTHS ENDED Mar-31-17	AUDITED YEAR ENDED Sept-30-17
Net interest income	1,690	1,685	3,422	3,423	7,130
Other income	760	706	1,569	1,449	2,523
Operating income	2,450	2,391	4,991	4,872	9,653
Loan impairment expense	(286)	(304)	(497)	(444)	(676)
Operating expenses	(1,172)	(1,190)	(2,441)	(2,329)	(4,748)
Profit before tax	992	897	2,053	2,099	4,229
Tax	(336)	(310)	(698)	(739)	(1,490)
Net profit after tax	656	587	1,355	1,360	2,739
Earnings per stock unit (G\$)	2.19	1.96	4.52	4.53	9.13
Average number of stock units ('000,000)	300	300	300	300	300



Republic Bank (Guyana) Limited Statement of Comprehensive Income

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Mar-31-18	UNAUDITED THREE MONTHS ENDED Mar-31-17	UNAUDITED SIX MONTHS ENDED Mar-31-18	UNAUDITED SIX MONTHS ENDED Mar-31-17	AUDITED YEAR ENDED Sept-30-17
Net profit after tax	656	587	1,355	1,360	2,739
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:					
Net (loss)/gain on available-for-sale investments	(30)	16	(12)	(71)	68
Other comprehensive income (net of tax) that will not be reclassified to profit and loss in subsequent periods:					
Re-measurement gain on defined benefit plans	-	-	-	-	13
Total Comprehensive Income for the period, net of tax	626	603	1,343	1,289	2,820

Republic Bank (Guyana) Limited Statement of Cash Flows

Expressed in millions of Guyana dollars

	UNAUDITED SIX MONTHS ENDED Mar-31-18	UNAUDITED SIX MONTHS ENDED Mar-31-17	AUDITED YEAR ENDED Sept-30-17
Operating Activities			
Profit before taxation	2,053	2,099	4,229
Adjustments for non-cash items	745	637	1,136
Increase in operating assets	(5,072)	(641)	(2,503)
Increase/(decrease) in operating liabilities	1,946	(9,495)	(6,365)
Corporation taxes paid	(684)	(929)	(1,706)
Cash used in operating activities	(1,012)	(8,329)	(5,209)
Investing Activities			
Net decrease in investments	5,156	7,703	5,148
Additions to premises and equipment	(146)	(761)	(997)
Proceeds from sale of premises and equipment	2	3	8
Cash from investing activities	5,012	6,945	4,159
Financing Activities			
Increase/(decrease) in balances due to other banks	6	408	(15)
Dividends paid	(850)	(850)	(1,235)
Cash used in financing activities	(844)	(442)	(1,250)
Net increase/(decrease) in cash resources	3,156	(1,826)	(2,300)
Cash and cash equivalents at beginning of period/year	13,862	16,162	16,162
Cash and cash equivalents at end of period/year	17,018	14,336	13,862
Supplemental Information:			
Interest received during the period/year	3,685	2,117	7,612
Interest paid during the period/year	276	106	575
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, 2018					
Balance at October 1, 2017	300	300	3,530	14,170	18,300
Total comprehensive (loss) / income for the period	-	-	(12)	1,355	1,343
Transfer to general banking risk reserve	-	-	128	(128)	-
Dividends	-	-	-	(850)	(850)
Balance at March 31, 2018	300	300	3,646	14,547	18,793
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
Audited					
Year ended September 30, 2017					
Balance at October 1, 2016	300	300	2,845	13,270	16,715
Total comprehensive income for the period	-	-	68	2,739	2,807
Re-measurement gain on defined benefit plans	-	-	-	13	13
Transfer to general banking risk reserve	-	-	617	(617)	-
Dividends	-	-	-	(1,235)	(1,235)
Balance at September 30, 2017	300	300	3,530	14,170	18,300

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 Trinidad and Tobago 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, 2018 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, 2017.

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, 2017.



Republic Bank (Guyana) Limited
NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

4. Capital commitments

	UNAUDITED Mar-31-18	UNAUDITED Mar-31-17	AUDITED Sept-30-17
Contracts for outstanding capital expenditure not provided for in the financial statements	96	403	376

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, 2018, the balance in the General Banking Risk Reserve was \$3,641 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-31-18	UNAUDITED Mar-31-17	AUDITED Sept-30-17
Outstanding balances			
Loans, investments and other assets			
Fellow subsidiaries	142	10	21
Directors and key management personnel	64	64	64
Other related parties	321	873	420
	<u>527</u>	<u>947</u>	<u>505</u>

No provisions have been made against amounts due from related parties.

Deposits and other liabilities

Fellow subsidiaries	174	105	257
Directors and key management personnel	156	134	143
Other related parties	2,839	1,969	2,833
	<u>3,169</u>	<u>2,208</u>	<u>3,233</u>

Interest and other income

Parent Company	-	3	-
Directors and key management personnel	1	1	2
Other related parties	5	9	37
	<u>6</u>	<u>13</u>	<u>39</u>

Interest and other expense

Fellow subsidiaries	49	47	94
Directors and key management personnel	1	4	7
Other related parties	4	5	8
	<u>54</u>	<u>56</u>	<u>109</u>

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	56	47	78
	<u>56</u>	<u>47</u>	<u>78</u>

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, 2018				
Interest income and other income	5,199	56	12	5,267
Unaudited				
Six months ended March 31, 2017				
Interest income and other income	5,005	158	9	5,172
Audited				
Year ended September 30, 2017				
Interest income and other income	9,947	267	13	10,227

8. Contingent liabilities

a) As at March 31, 2018 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-31-18	UNAUDITED Mar-31-17	AUDITED Sept-30-17
Guarantees	2,037	2,081	1,934
Letters of Credit	216	181	181
	<u>2,253</u>	<u>2,262</u>	<u>2,115</u>
Sectoral Information			
State	870	827	820
Corporate and commercial	1,383	1,435	1,295
Personal	-	-	-
	<u>2,253</u>	<u>2,262</u>	<u>2,115</u>

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, 2018	March 31, 2017	September 30, 2017
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*
Mr. Richard I. Vasconcellos	13,000 stock units	13,000 stock units	13,000 stock units

* (held jointly with an associate(s))

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

