



Republic Bank
We're the One for you!

**UNAUDITED THIRD QUARTER
FINANCIAL STATEMENTS**
FOR THE NINE MONTHS ENDED JUNE 30, 2013

CHAIRMAN'S STATEMENT

Dear Stockholder,

Your Bank recorded an after-tax profit of \$1,722 million for the nine month period ended June 30, 2013. This represents an increase of \$181 million or 11.75%, when compared with the corresponding period last year.

Total assets increased by \$16.1 billion or 14.40%, while total deposits increased by \$14.4 billion or 14.62%, year-on-year.

Barring any unforeseen circumstances we remain on course for another satisfactory year end performance.

Nigel M. Baptiste
Chairman of the Board

July 15, 2013

Republic Bank (Guyana) Limited
Statement of Financial Position

All amounts expressed in millions of Guyana dollars

	UNAUDITED Jun-30-13	UNAUDITED Jun-30-12	AUDITED Sept-30-12
ASSETS			
Cash resources	12,493	11,644	11,425
Statutory deposit with Bank of Guyana	13,316	11,566	11,856
Investment securities	48,275	45,157	46,166
Advances	45,772	36,220	38,632
Other assets	2,630	2,079	1,846
Premises and equipment	5,480	5,192	5,431
TOTAL ASSETS	127,966	111,858	115,356
LIABILITIES & STOCKHOLDERS' EQUITY			
LIABILITIES			
Customers' current, savings and deposit accounts	113,400	98,933	101,736
Due to banks	125	121	254
Net pension liability	290	256	276
Other liabilities	2,754	2,240	2,287
TOTAL LIABILITIES	116,569	101,550	104,553
STOCKHOLDERS' EQUITY			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	989	1,138	1,358
Retained earnings	9,808	8,570	8,845
	11,397	10,308	10,803
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	127,966	111,858	115,356

John N. Alves, Managing Director

Christine McGowan, Corporate Secretary

Roy E. Cheong, Director, Chairman of Audit Committee

Republic Bank (Guyana) Limited
Statement of Income

All amounts expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-13	UNAUDITED THREE MONTHS ENDED Jun-30-12	UNAUDITED SIX MONTHS ENDED Jun-30-13	UNAUDITED SIX MONTHS ENDED Jun-30-12	UNAUDITED NINE MONTHS ENDED Jun-30-13	UNAUDITED NINE MONTHS ENDED Jun-30-12	AUDITED YEAR ENDED Sept-30-12
Net interest income	1,376	1,153	2,674	2,313	3,944	3,478	4,832
Other income	538	564	1,127	1,043	1,693	1,553	1,929
	1,914	1,717	3,801	3,356	5,637	5,031	6,761
Loan impairment expense	197	34	262	97	312	113	134
Operating expenses	903	842	1,774	1,626	2,668	2,468	3,406
Profit before tax	814	841	1,765	1,633	2,657	2,450	3,221
Tax	237	295	615	603	935	909	1,208
Net profit after tax	577	546	1,150	1,030	1,722	1,541	2,013
Earnings per stock unit (G\$)	1.92	1.82	3.83	3.43	5.74	5.14	6.71
Average number of stock units ('000,000)	300	300	300	300	300	300	300



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Republic Bank (Guyana) Limited
Statement of Comprehensive Income

All amounts expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-13	UNAUDITED THREE MONTHS ENDED Jun-30-12	UNAUDITED NINE MONTHS ENDED Jun-30-13	UNAUDITED NINE MONTHS ENDED Jun-30-12	AUDITED YEAR ENDED Sept-30-12
Net profit after tax	577	546	1,722	1,541	2,013
Net gains/(losses) on available-for-sale investments	(348)	(29)	(380)	(36)	2
Tax relating to components of other comprehensive income	139	11	152	14	(1)
Other comprehensive income for the period, net of tax	(209)	(18)	(228)	(22)	1
Total comprehensive income for the period, net of tax	368	528	1,494	1,519	2,014

Republic Bank (Guyana) Limited
Statement of Cash Flows

All amounts expressed in millions of Guyana dollars

	UNAUDITED NINE MONTHS ENDED Jun-30-13	UNAUDITED NINE MONTHS ENDED Jun-30-12	AUDITED YEAR ENDED Sept-30-12
Operating Activities			
Profit before taxation	2,657	2,450	3,221
Adjustments for non-cash items	608	340	455
Increase in operating assets	(9,501)	(4,036)	(6,516)
Increase in operating liabilities	11,948	7,237	10,098
Corporation taxes paid	(924)	(820)	(1,103)
Cash from operating activities	4,788	5,171	6,155
Investing Activities			
Net (increase)/decrease in investments	(2,360)	2,360	1,508
Additions to premises and equipment	(331)	(327)	(818)
Proceeds from sale of premises and equipment	-	53	58
Cash (used in)/from investing activities	(2,691)	2,086	748
Financing Activities			
Increase/(decrease) in balances due to other banks	(129)	(18)	117
Dividends paid	(900)	(850)	(850)
Cash used in financing activities	(1,029)	(868)	(733)
Net increase in cash resources	1,068	6,389	6,170
Cash and cash equivalents at beginning of period/year	11,425	5,255	5,255
Cash and cash equivalents at end of period/year	12,493	11,644	11,425
Supplemental Information:			
Interest received during the period/year	4,077	4,073	5,573
Interest paid during the period/year	516	584	851
Dividends received	7	6	6

Republic Bank (Guyana) Limited
Statement of Changes in Equity

All amounts expressed in millions of Guyana dollars

	Stated Capital	Statutory Reserves	Other Reserves	Retained Earnings	Total Equity
Unaudited					
Nine months ended June 30, 2013					
Balance at October 1, 2012	300	300	1,358	8,845	10,803
Total comprehensive income for the period	-	-	(228)	1,722	1,494
Transfer from general banking risk reserve	-	-	(141)	141	-
Dividends	-	-	-	(900)	(900)
Balance at June 30, 2013	300	300	989	9,808	11,397
Unaudited					
Nine months ended June 30, 2012					
Balance at October 1, 2011	300	300	1,114	7,925	9,639
Total comprehensive income for the period	-	-	(22)	1,541	1,519
Transfer to general banking risk reserve	-	-	46	(46)	-
Dividends	-	-	-	(850)	(850)
Balance at June 30, 2012	300	300	1,138	8,570	10,308
Audited					
Year ended September 30, 2012					
Balance at October 1, 2011	300	300	1,114	7,925	9,639
Total comprehensive income for the period	-	-	1	2,013	2,014
Transfer to general banking risk reserve	-	-	243	(243)	-
Dividends	-	-	-	(850)	(850)
Balance at September 30, 2012	300	300	1,358	8,845	10,803

Republic Bank (Guyana) Limited
NOTES TO THE FINANCIAL STATEMENTS

All amounts 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 under the Companies Act, Chapter 89:01 and continued under the Companies Act 1991 on May 16, 1997 and is licensed as Bankers under the Financial Institutions Act 1995.

The Bank was registered as a reporting issuer under the Securities Industry Act 1998 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.

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 and subsequently changed its name to Republic Bank (Guyana) Limited on June 5, 2006. As at June 30, 2013 the stockholdings of Republic Bank Limited in the Bank was 51.1%.

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 Trinidad and Tobago 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%.

As at December 31, 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 June 30, 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. 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, 2012.



Republic Bank (Guyana) Limited
NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

4. Capital commitments

	UNAUDITED Jun-30-13	UNAUDITED Jun-30-12	AUDITED Sept-30-12
Contracts for outstanding capital expenditure not provided for in the financial statements	1,113	1,494	1,295
Other capital expenditure authorised by the Directors but not yet contracted for	413	166	665

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 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 June 30, 2013, the balance in the General Banking Risk Reserve was \$1,141 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 Jun-30-13	UNAUDITED Jun-30-12	AUDITED Sept-30-12
Outstanding balances			
Loans, investments and other assets			
Republic Bank Limited (Parent)	-	-	41
Fellow subsidiaries	-	-	3
Directors and key management personnel	38	54	46
Other related parties	365	431	501
	<u>403</u>	<u>485</u>	<u>591</u>
Provision for amounts due from related parties	-	-	-
Deposits and other liabilities			
CL Financial Group	-	1	23
Republic Bank Limited (Parent)	169	1,003	1,013
Fellow subsidiaries	14	7	15
Directors and key management personnel	134	112	110
Other related parties	1,458	1,190	1,084
	<u>1,775</u>	<u>2,313</u>	<u>2,245</u>
Interest and other income			
Directors and key management personnel	1	1	2
Other related parties	25	30	40
	<u>26</u>	<u>31</u>	<u>42</u>
Interest and other expense			
Republic Bank Limited (Parent)	54	55	76
Directors and key management personnel	11	12	16
Other related parties	6	7	9
	<u>71</u>	<u>74</u>	<u>101</u>
Key management compensation			
Short term benefits	55	52	65
	<u>55</u>	<u>52</u>	<u>65</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 December 31, 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 June 2013. Prior period balances have however been maintained in the related party note.

Republic Bank (Guyana) Limited
NOTES TO THE FINANCIAL STATEMENTS

Expressed in millions of Guyana dollars

7. Segment reporting

	Guyana	Trinidad and Tobago	Other Countries	Total
Unaudited Nine months ended June 30, 2013				
Interest income and other income	6,090	32	81	6,203
Unaudited Nine months ended June 30, 2012				
Interest income and other income	5,581	16	91	5,688
Audited Year ended September 30, 2012				
Interest income and other income	7,473	21	119	7,613

8. Contingent liabilities

a) As at June 30, 2013 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.

	UNAUDITED Jun-30-13	UNAUDITED Jun-30-12	AUDITED Sept-30-12
Acceptances	-	6	-
Guarantees	1,460	1,498	1,541
Letters of Credit	597	187	382
	<u>2,057</u>	<u>1,691</u>	<u>1,923</u>
Sectoral Information			
State	800	674	688
Corporate and commercial	1,219	990	1,229
Personal	38	17	6
Other	-	10	-
	<u>2,057</u>	<u>1,691</u>	<u>1,923</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	Jun-30-13	Jun-30-12	Sept-30-12
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 **
Mr. John N. Alves	75,000 stock units *	75,000 stock units *	75,000 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)

