



Republic Bank
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UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS ENDED DECEMBER 31, 2015

CHAIRMAN'S STATEMENT

Dear Stockholder,

I wish to report that your Bank recorded an after-tax profit of \$746 million for the quarter ended December 31, 2015. This represents an increase of \$73 million or 10.8% when compared with the corresponding period last year. Total assets increased by \$10.4 billion or 7.8%, while total deposits increased by \$8.1 billion or 6.9% year-on-year.

In December 2015, the Republic Group was reorganised with the formation of a holding company, Republic Financial Holdings Limited, which is now the parent of your Bank instead of Republic Bank Limited. This change, which brings the Group's governance in line with international best practice, will not affect your stockholding.

Your Directors are confident that subject to the stability of the economy, your Bank's performance for the remaining quarters of this fiscal will continue to be satisfactory.

Nigel M. Baptiste
Chairman of the Board
January 18, 2016

Republic Bank (Guyana) Limited Statement of Financial Position

Expressed in millions of Guyana dollars

	UNAUDITED Dec-31-15	UNAUDITED Dec-31-14	AUDITED Sept-30-15
ASSETS			
Cash resources	13,363	11,281	17,997
Statutory deposit with Bank of Guyana	14,351	13,370	14,274
Investment securities	52,593	47,504	49,460
Advances	55,098	53,137	52,362
Other assets	3,051	2,897	2,408
Premises and equipment	5,861	5,688	5,753
Intangible assets	100	150	109
TOTAL ASSETS	144,417	134,027	142,363
LIABILITIES & STOCKHOLDERS' EQUITY			
LIABILITIES			
Customers' chequing, savings and deposit accounts	124,910	116,799	123,701
Due to banks	331	218	199
Pension liability	121	157	115
Other liabilities	3,977	3,369	3,125
TOTAL LIABILITIES	129,339	120,543	127,140
STOCKHOLDERS' EQUITY			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	2,007	2,711	2,250
Retained earnings	12,471	10,173	12,373
	15,078	13,484	15,223
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	144,417	134,027	142,363

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 Dec-31-15	UNAUDITED THREE MONTHS ENDED Dec-31-14	UNAUDITED TWELVE MONTHS ENDED Dec-31-15	UNAUDITED TWELVE MONTHS ENDED Dec-31-14	AUDITED YEAR ENDED Sept-30-15
Net interest income	1,803	1,551	6,793	6,232	6,541
Other income	710	616	2,804	2,088	2,709
Operating income	2,513	2,167	9,597	8,320	9,250
Loan impairment expense	(255)	(109)	(720)	(625)	(574)
Operating expenses	(1,076)	(1,042)	(4,408)	(4,044)	(4,374)
Profit before tax	1,182	1,016	4,469	3,651	4,302
Tax	(436)	(343)	(1,579)	(1,308)	(1,486)
Net profit after tax	746	673	2,890	2,343	2,816
Earnings per stock unit (G\$)					
	2.49	2.24	9.63	7.81	9.39
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 Dec-31-15	UNAUDITED THREE MONTHS ENDED Dec-31-14	AUDITED YEAR ENDED Sept-30-15
Net profit after tax	746	673	2,816
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 on available-for-sale investments	(41)	(52)	(144)
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	-	-	18
Total Comprehensive Income for the period, net of tax	705	621	2,690

Republic Bank (Guyana) Limited Statement of Cash Flows

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-15	UNAUDITED THREE MONTHS ENDED Dec-31-14	AUDITED YEAR ENDED Sept-30-15
Operating Activities			
Profit before taxation	1,182	1,016	4,302
Adjustments for non-cash items	346	117	549
Increase in operating assets	(3,744)	(3,560)	(3,204)
Increase in operating liabilities	1,936	5,049	11,484
Corporation taxes paid	(312)	(256)	(1,191)
Cash (used in)/from operating activities	(592)	2,366	11,940
Investing Activities			
Net increase in investments	(3,133)	(370)	(2,976)
Additions to premises and equipment	(203)	(108)	(467)
Proceeds from sale of premises and equipment	12	-	456
Cash used in investing activities	(3,324)	(478)	(2,987)
Financing Activities			
Increase/(decrease) in balances due to other banks	132	4	(15)
Dividends paid	(850)	(700)	(1,030)
Cash used in financing activities	(718)	(696)	(1,045)
Net (decrease)/increase in cash resources	(4,634)	1,192	7,908
Cash and cash equivalents at beginning of period/year	17,997	10,089	10,089
Cash and cash equivalents at end of period/year	13,363	11,281	17,997
Supplemental Information:			
Interest received during the period/year	2,395	2,141	7,130
Interest paid during the period/year	106	101	591
Dividends received	-	-	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					
Three months ended December 31, 2015					
Balance at October 1, 2015	300	300	2,250	12,373	15,223
Total comprehensive (loss)/income for the period	-	-	(41)	746	705
Transfer from general banking risk reserve	-	-	(202)	202	-
Dividends	-	-	-	(850)	(850)
Balance at December 31, 2015	300	300	2,007	12,471	15,078

Unaudited					
Three months ended December 31, 2014					
Balance at October 1, 2014	300	300	2,602	10,361	13,563
Total comprehensive (loss)/income for the period	-	-	(52)	673	621
Transfer to general banking risk reserve	-	-	161	(161)	-
Dividends	-	-	-	(700)	(700)
Balance at December 31, 2014	300	300	2,711	10,173	13,484

Audited					
Year ended September 30, 2015					
Balance at October 1, 2014	300	300	2,602	10,361	13,563
Total comprehensive (loss)/income for the period	-	-	(144)	2,816	2,672
Re-measurement gain on defined benefit plans	-	-	-	18	18
Transfer from general banking risk reserve	-	-	(208)	208	-
Dividends	-	-	-	(1,030)	(1,030)
Balance at September 30, 2015	300	300	2,250	12,373	15,223

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 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 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 December 31, 2015 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, 2015.

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, 2015.



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Republic Bank (Guyana) Limited NOTES TO THE FINANCIAL STATEMENTS

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4. Capital commitments

	UNAUDITED Dec-31-15	UNAUDITED Dec-31-14	AUDITED Sept-30-15
Contracts for outstanding capital expenditure not provided for in the financial statements	221	462	827
Other capital expenditure authorised by the Directors but not yet contracted for	86	68	-

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 December 31, 2015, the balance in the General Banking Risk Reserve was \$2,166 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 Dec-31-15	UNAUDITED Dec-31-14	AUDITED Sept-30-15
Outstanding balances			
Loans, investments and other assets			
Republic Financial Holdings Limited	-	-	-
Republic Bank Limited	-	25	3
Fellow subsidiaries	8	1	1
Directors and key management personnel	57	49	64
Other related parties	422	266	415
	487	341	483

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

Deposits and other liabilities			
Republic Financial Holdings Limited	-	-	-
Republic Bank Limited	-	1,049	747
Fellow subsidiaries	926	13	16
Directors and key management personnel	108	100	109
Other related parties	1,740	1,584	1,991
	2,774	2,746	2,863

Interest and other income			
Directors and key management personnel	1	1	2
Other related parties	3	4	12
	4	5	14

Interest and other expense			
Republic Financial Holdings Limited	-	-	-
Republic Bank Limited	-	28	103
Fellow subsidiaries	24	-	-
Directors and key management personnel	4	4	17
Other related parties	2	2	11
	30	34	131

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	31	27	79
	31	27	79

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				
Three months ended December 31, 2015				
Interest income and other income	2,596	49	19	2,664
Unaudited				
Three months ended December 31, 2014				
Interest income and other income	2,275	15	22	2,312
Audited				
Year ended September 30, 2015				
Interest income and other income	9,594	163	83	9,840

8. Contingent liabilities

a) As at December 31, 2015 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 Dec-31-15	UNAUDITED Dec-31-14	AUDITED Sept-30-15
Guarantees	1,882	1,892	1,902
Letters of Credit	191	338	182
	2,073	2,230	2,084
Sectoral Information			
State	853	926	858
Corporate and commercial	1,220	1,288	1,216
Personal	-	16	10
	2,073	2,230	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	Dec-31-15	Dec-31-14	Sept-30-15
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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