



**CHAIRMAN'S STATEMENT**

Dear Stockholder,

Your Bank recorded an after-tax profit of \$700 million for the first quarter of fiscal 2018. This represents a decline of \$74 million or 9.6% when compared with the corresponding period last year, driven primarily by a \$71 million increase in provision for loan losses.

Total loans increased by \$6.0 billion or 9.9%, while total deposits decreased by \$9.9 billion or 7.3% year-on-year.

Notwithstanding the decline in the first quarter performance, we remain committed to improving the Bank's operational efficiency and executing a number of key initiatives in order to realize our 2018 objectives.

Nigel M. Baptiste  
Chairman of the Board  
January 15, 2018

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

Expressed in millions of Guyana dollars

	UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
<b>ASSETS</b>			
Cash resources	5,493	20,837	13,862
Statutory deposit with Bank of Guyana	14,113	15,417	13,967
Investment securities	52,380	49,494	47,480
Advances	66,311	60,352	61,122
Other assets	2,630	2,833	2,752
Premises and equipment	7,211	7,115	7,247
Intangible assets	121	106	130
<b>TOTAL ASSETS</b>	<b>148,259</b>	<b>156,154</b>	<b>146,560</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers' chequing, savings and deposit accounts	125,240	135,174	124,879
Due to banks	853	222	128
Pension liability	141	178	135
Other liabilities	3,857	4,028	3,118
<b>TOTAL LIABILITIES</b>	<b>130,091</b>	<b>139,602</b>	<b>128,260</b>
<b>STOCKHOLDERS' EQUITY</b>			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	3,433	2,880	3,530
Retained earnings	14,135	13,072	14,170
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>148,259</b>	<b>156,154</b>	<b>146,560</b>

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-31-17	UNAUDITED THREE MONTHS ENDED Dec-31-16	UNAUDITED TWELVE MONTHS ENDED Dec-31-17	UNAUDITED TWELVE MONTHS ENDED Dec-31-16	AUDITED YEAR ENDED Sept-30-17
Net interest income	1,732	1,737	7,125	7,002	7,130
Other income	809	743	2,588	2,356	2,523
Operating income	2,541	2,480	9,713	9,358	9,653
Loan impairment expense	(211)	(140)	(747)	(671)	(676)
Operating expenses	(1,268)	(1,137)	(4,878)	(4,405)	(4,748)
<b>Profit before tax</b>	<b>1,062</b>	<b>1,203</b>	<b>4,088</b>	<b>4,282</b>	<b>4,229</b>
Tax	(362)	(429)	(1,423)	(1,551)	(1,490)
<b>Net profit after tax</b>	<b>700</b>	<b>774</b>	<b>2,665</b>	<b>2,731</b>	<b>2,739</b>
<b>Earnings per stock unit (G\$)</b>	<b>2.33</b>	<b>2.58</b>	<b>8.88</b>	<b>9.10</b>	<b>9.13</b>
<b>Average number of stock units ('000,000)</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>





**Republic Bank (Guyana) Limited**  
**Statement of Comprehensive Income**

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-17	UNAUDITED THREE MONTHS ENDED Dec-31-16	UNAUDITED TWELVE MONTHS ENDED Dec-31-17	UNAUDITED TWELVE MONTHS ENDED Dec-31-16	AUDITED YEAR ENDED Sept-30-17
<b>Net profit after tax</b>	700	774	2,665	2,731	2,739
<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>					
<b>Net gain/(loss) on available-for-sale investments</b>	18	(87)	(52)	21	68
<i>Other comprehensive income (net of tax) that will not be reclassified to profit and loss in subsequent periods:</i>					
<b>Re-measurement loss on defined benefit plans</b>	-	-	-	-	13
<b>Total Comprehensive Income for the period, net of tax</b>	<u>718</u>	<u>687</u>	<u>2,613</u>	<u>2,752</u>	<u>2,820</u>

**Republic Bank (Guyana) Limited**  
**Statement of Cash Flows**

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-17	UNAUDITED THREE MONTHS ENDED Dec-31-16	AUDITED YEAR ENDED Sept-30-17
<b>Operating Activities</b>			
Profit before taxation	1,062	1,203	4,229
Adjustments for non-cash items	335	232	1,136
Increase in operating assets	(5,419)	(3,315)	(2,503)
Increase/(decrease) in operating liabilities	1,070	4,770	(6,365)
Corporation taxes paid	(314)	(540)	(1,706)
<b>Cash (used in)/from operating activities</b>	<u>(3,266)</u>	<u>2,350</u>	<u>(5,209)</u>
<b>Investing Activities</b>			
Net (increase)/decrease in investments	(4,900)	3,549	5,148
Additions to premises and equipment	(80)	(456)	(997)
Proceeds from sale of premises and equipment	2	3	8
<b>Cash (used in)/from investing activities</b>	<u>(4,978)</u>	<u>3,096</u>	<u>4,159</u>
<b>Financing Activities</b>			
Increase/(decrease) in balances due to other banks	725	79	(15)
Dividends paid	(850)	(850)	(1,235)
<b>Cash used in financing activities</b>	<u>(125)</u>	<u>(771)</u>	<u>(1,250)</u>
<b>Net (decrease)/increase in cash resources</b>	(8,369)	4,675	(2,300)
Cash and cash equivalents at beginning of period/year	13,862	16,162	16,162
<b>Cash and cash equivalents at end of period/year</b>	<u>5,493</u>	<u>20,837</u>	<u>13,862</u>
<b>Supplemental Information:</b>			
Interest received during the period/year	1,435	2,117	7,612
Interest paid during the period/year	90	106	575
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
<b>Unaudited</b> <b>Three months ended December 31, 2017</b>					
<b>Balance at October 1, 2017</b>	300	300	3,530	14,170	18,300
Total comprehensive income for the period	-	-	18	700	718
Transfer from general banking risk reserve	-	-	(115)	115	-
Dividends	-	-	-	(850)	(850)
<b>Balance at December 31, 2017</b>	<u>300</u>	<u>300</u>	<u>3,433</u>	<u>14,135</u>	<u>18,168</u>
<b>Unaudited</b> <b>Three months ended December 31, 2016</b>					
<b>Balance at October 1, 2016</b>	300	300	2,845	13,270	16,715
Total comprehensive (loss)/income for the period	-	-	(87)	774	687
Transfer to general banking risk reserve	-	-	122	(122)	-
Dividends	-	-	-	(850)	(850)
<b>Balance at December 31, 2016</b>	<u>300</u>	<u>300</u>	<u>2,880</u>	<u>13,072</u>	<u>16,552</u>
<b>Audited</b> <b>Year ended September 30, 2017</b>					
<b>Balance at October 1, 2016</b>	300	300	2,845	13,270	16,715
Total comprehensive income for the period	-	-	68	2,739	2,807
Re-measurement loss on defined benefit plans	-	-	-	13	13
Transfer to general banking risk reserve	-	-	617	(617)	-
Dividends	-	-	-	(1,235)	(1,235)
<b>Balance at September 30, 2017</b>	<u>300</u>	<u>300</u>	<u>3,530</u>	<u>14,170</u>	<u>18,300</u>

**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 December 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, 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**

Contracts for outstanding capital expenditure not provided for in the financial statements

UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
58	645	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 December 31, 2017, the balance in the General Banking Risk Reserve was \$3,398 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-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
<b>Outstanding balances</b>			
<b>Loans, investments and other assets</b>			
Fellow subsidiaries	112	2	21
Directors and key management personnel	61	67	64
Other related parties	353	979	420
	<u>526</u>	<u>1,048</u>	<u>505</u>

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

**Deposits and other liabilities**

	UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
Parent Company	433	433	-
Fellow subsidiaries	148	269	257
Directors and key management personnel	155	136	143
Other related parties	3,050	1,919	2,833
	<u>3,786</u>	<u>2,757</u>	<u>3,233</u>

**Interest and other income**

	UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
Directors and key management personnel	-	-	2
Other related parties	1	8	37
	<u>1</u>	<u>8</u>	<u>39</u>

**Interest and other expense**

	UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
Fellow subsidiaries	24	25	94
Directors and key management personnel	4	4	7
Other related parties	2	4	8
	<u>30</u>	<u>33</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**

	UNAUDITED Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
Short term benefits	36	30	78
	<u>36</u>	<u>30</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>b) Unaudited</b>				
Three months ended December 31, 2017				
Interest income and other income	2,644	28	8	2,680
<b>Unaudited</b>				
Three months ended December 31, 2016				
Interest income and other income	2,549	78	7	2,634
<b>Audited</b>				
Year ended September 30, 2017				
Interest income and other income	9,947	267	13	10,227

**8. Contingent liabilities**

a) As at December 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 Dec-31-17	UNAUDITED Dec-31-16	AUDITED Sept-30-17
Guarantees	2,055	2,097	1,934
Letters of Credit	231	296	181
	<u>2,286</u>	<u>2,393</u>	<u>2,115</u>
<b>Sectoral Information</b>			
State	815	917	820
Corporate and commercial	1,471	1,464	1,295
Personal	-	12	-
	<u>2,286</u>	<u>2,393</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	December 31, 2017	December 31, 2016	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

\* (held jointly with an associate(s))

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

