

CHAIRMAN'S STATEMENT

Dear Stockholder,

I wish to report that your Bank recorded an after-tax profit of \$572 million for the quarter ended December 31, 2012. This represents an increase of \$62 million or 12.1% when compared with the quarter ended December 31, 2011. Total assets increased by \$21.5 billion or 20.4%, while total deposits increased by \$20.6 billion or 22.3% year-on-year.

Your Directors remain confident that the Bank is on course to achieving its objectives for this fiscal.



David DulaI-Whiteway
Chairman of the Board

January 21, 2013

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

Expressed in millions of Guyana dollars

	UNAUDITED Dec-31-12	UNAUDITED Dec-31-11	AUDITED Sept-30-12
ASSETS			
Cash resources	15,460	3,126	11,425
Statutory deposit with Bank of Guyana	13,066	11,405	11,856
Investment securities	49,754	48,633	46,166
Advances	41,273	34,571	38,632
Other assets	2,520	3,165	1,846
Premises and equipment	5,394	5,012	5,431
TOTAL ASSETS	127,467	105,912	115,356
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES			
Customers' current, savings and deposit accounts	113,006	92,403	101,736
Due to banks	157	742	254
Net pension liability	276	256	276
Other liabilities	3,284	2,959	2,287
TOTAL LIABILITIES	116,723	96,360	104,553
STOCKHOLDERS' EQUITY			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	1,313	1,087	1,358
Retained earnings	8,831	7,865	8,845
	10,744	9,552	10,803
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	127,467	105,912	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**

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-12	UNAUDITED THREE MONTHS ENDED Dec-31-11	AUDITED YEAR ENDED Sept-30-12
Net interest income	1,270	1,165	4,832
Other income	566	510	1,929
Operating income	1,836	1,675	6,761
Loan impairment expense	49	17	134
Operating expenses	895	842	3,406
Profit before tax	892	816	3,221
Tax	320	306	1,208
Net profit after tax	572	510	2,013
Earnings per stock unit (G\$)	1.91	1.70	6.71
Average number of stock units ('000,000)	300	300	300

Republic Bank (Guyana) Limited Statement of Comprehensive Income

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-12	UNAUDITED THREE MONTHS ENDED Dec-31-11	AUDITED YEAR ENDED Sept-30-12
Net profit after tax	572	510	2,013
Net gains/(losses) on available-for-sale investments	(52)	(37)	2
Tax relating to components of other comprehensive income	21	15	(1)
Other comprehensive income for the period, net of tax	(31)	(22)	1
Total comprehensive income for the period, net of tax	541	488	2,014

Republic Bank (Guyana) Limited Statement of Cash Flows

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Dec-31-12	UNAUDITED THREE MONTHS ENDED Dec-31-11	AUDITED YEAR ENDED Sept-30-12
Operating Activities			
Profit before taxation	892	816	3,221
Adjustments for non-cash items	135	96	455
Increase in operating assets	(4,563)	(3,217)	(6,516)
Increase in operating liabilities	12,208	1,512	10,098
Corporation taxes paid	(299)	(222)	(1,103)
Cash from operating activities	8,373	(1,015)	6,155
Investing Activities			
Net increase in investments	(3,588)	(958)	1,508
Additions to premises and equipment	(53)	(116)	(818)
Proceeds from sale of premises and equipment	-	-	58
Cash used in investing activities	(3,641)	(1,074)	748
Financing Activities			
Increase/(decrease) in balances due to other banks	(97)	535	117
Dividends paid	(600)	(575)	(850)
Cash used in financing activities	(697)	(40)	(733)
Net increase/(decrease) in cash resources	4,035	(2,129)	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	15,460	3,126	11,425
Supplemental Information:			
Interest received during the period/year	1,137	1,336	5,573
Interest paid during the period/year	145	148	851
Dividends received	-	-	6

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, 2012					
Balance at October 1, 2012	300	300	1,358	8,845	10,803
Total comprehensive income for the period	-	-	(31)	572	541
Transfer from general banking risk reserve	-	-	(14)	14	-
Dividends	-	-	-	(600)	(600)
Balance at December 31, 2012	300	300	1,313	8,831	10,744
Unaudited					
Three months ended December 31, 2011					
Balance at October 1, 2011	300	300	1,114	7,925	9,639
Total comprehensive income for the period	-	-	(22)	510	488
Transfer from general banking risk reserve	-	-	(5)	5	-
Dividends	-	-	-	(575)	(575)
Balance at December 31, 2011	300	300	1,087	7,865	9,552
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

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 December 31, 2012 the stockholding 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.

On November 1, 2012, the CLICO Investment Fund (the Fund) was launched by the Government of the Republic of Trinidad and Tobago. This fund was constituted to offer to 11-20 year Bondholders who were holders of Short Term Investment Products (STIP) purchased from Colonial Life Insurance Company (Trinidad) Limited, an exchange of their 11-20 year Bonds for Units in the Fund. 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 are owned by the Fund. This transaction had the effect of reducing the CLICO and CIB shareholdings from 51.1% to 26.2% as at November 1, 2012.

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 December 31, 2012 has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the audited 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 annual 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 Dec-31-12	UNAUDITED Dec-31-11	AUDITED Sept-30-12
Contracts for outstanding capital expenditure not provided for in the financial statements	1,069	1,053	1,295
Other capital expenditure authorised by the Directors but not yet contracted for	413	148	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 December 31, 2012, the balance in the General Banking Risk Reserve of \$1,268 million is part of Other Reserves which totals \$1,313 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-31-12	UNAUDITED Dec-31-11	AUDITED Sept-30-12
Outstanding balances			
Loans, investments and other assets			
Republic Bank Limited (Parent)	81	3	41
Fellow subsidiaries	3	1	3
Directors and key management personnel	43	50	46
Other related parties	390	496	501
	<u>517</u>	<u>550</u>	<u>591</u>
Provision for amounts due from related parties	-	-	-
Deposits and other liabilities			
CL Financial Group	-	-	23
Republic Bank Limited (Parent)	1,337	882	1,013
Fellow subsidiaries	16	12	15
Directors and key management personnel	109	95	110
Other related parties	1,243	1,343	1,084
	<u>2,705</u>	<u>2,332</u>	<u>2,245</u>
Interest and other income			
Directors and key management personnel	1	-	2
Other related parties	10	11	40
	<u>11</u>	<u>11</u>	<u>42</u>
Interest and other expense			
Republic Bank Limited (Parent)	19	20	76
Directors and key management personnel	4	4	16
Other related parties	4	4	9
	<u>27</u>	<u>28</u>	<u>101</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-31-12	UNAUDITED Dec-31-11	AUDITED Sept-30-12
Short term benefits	28	26	65
	<u>28</u>	<u>26</u>	<u>65</u>

The CL Financial Group is no longer considered a related party of Republic Bank Limited as at December 31, 2012. As such, no balances for that Group have been included in the related party note for the quarter ended December 2012. Prior period balances have however been maintained.

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, 2012				
Interest income and other income	1,995	14	28	2,037
Unaudited				
Three months ended December 31, 2011				
Interest income and other income	1,856	5	31	1,892
Audited				
Year ended September 30, 2012				
Interest income and other income	7,473	21	119	7,613

8. Contingent liabilities

a) As at December 31, 2012, 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-31-12	UNAUDITED Dec-31-11	AUDITED Sept-30-12
Guarantees	1,654	1,579	1,541
Letters of Credit	693	632	382
	<u>2,347</u>	<u>2,211</u>	<u>1,923</u>
Sectoral Information			
State	803	1,198	688
Corporate and commercial	1,531	989	1,229
Personal	13	14	6
Other	-	10	-
	<u>2,347</u>	<u>2,211</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:

As at December 31, 2012

Mr. John G. Carpenter	150,000 stock units (held jointly with an associate)
Mr. Roy E. Cheong	87,000 stock units (75,000 held jointly with an associate, and 12,000 held by an associate)
Mr. John N. Alves	75,000 stock units (held jointly with an associate)
Mrs. Yolande M. Foo	315,000 stock units (held jointly with associates)

As at December 31, 2011

Mr. John G. Carpenter	150,000 stock units (held jointly with an associate)
Mr. Roy E. Cheong	87,000 stock units (75,000 held jointly with an associate, and 12,000 held by an associate)
Mr. John N. Alves	75,000 stock units (held jointly with an associate)
Mrs. Yolande M. Foo	315,000 stock units (held jointly with associates)

As at September 30, 2012

Mr. John G. Carpenter	150,000 stock units (held jointly with an associate)
Mr. Roy E. Cheong	87,000 stock units (75,000 held jointly with an associate, and 12,000 held by an associate)
Mr. John N. Alves	75,000 stock units (held jointly with an associate)
Mrs. Yolande M. Foo	315,000 stock units (held jointly with associates)

