



**Republic Bank**  
We're the One for you!

**UNAUDITED FIRST QUARTER  
FINANCIAL STATEMENTS  
ENDED DECEMBER 31, 2010**

**CHAIRMAN'S STATEMENT**

Dear Stockholder,

Your Bank recorded an after-tax profit of \$517 million for the three month period ended December 31, 2010. This represents a decrease of \$70 million or 11.9%, when compared with the quarter ended December 31, 2009. It should be noted, however, that the December 2009 results had benefited from a one-time event with an after-tax effect of \$96 million. When December 2009 was adjusted for this figure, the after-tax profit for December 2010 reflected an increase of \$26 million or 5.29%. Total assets increased by \$12.2 billion or 13.5%, while total deposits increased by \$9.8 billion or 12.3%, year-on-year.

We are proud of the recent opening of our Diamond Branch. This gives tangible proof of our strategy of providing more convenient banking services to the communities we serve and of investing in the Guyanese economy. We expect to continue expanding our branch network based on identified needs.

Given the positive outlook for the country's economy, we will continue to explore all of the various opportunities that present themselves and remain optimistic that our objectives for the year will be achieved.

David J. Dulal-Whiteway  
Chairman of the Board

January 17, 2011

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

Expressed in millions of Guyana dollars

	UNAUDITED Dec-31-10	UNAUDITED Dec-31-09	AUDITED Sept-30-10
<b>ASSETS</b>			
Cash resources	9,250	7,930	6,439
Statutory deposit with Bank of Guyana	10,713	9,736	10,139
Investment securities	45,557	41,338	44,224
Advances	29,217	24,685	28,306
Other assets	3,439	2,648	2,297
Premises and equipment	4,603	4,245	4,512
<b>TOTAL ASSETS</b>	<b>102,779</b>	<b>90,582</b>	<b>95,917</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers' current, savings and deposit accounts	89,603	79,790	84,207
Due to banks	272	191	151
Net pension liability	237	215	237
Other liabilities	4,051	2,889	2,658
	94,163	83,085	87,253
<b>STOCKHOLDERS' EQUITY</b>			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	595	497	528
Retained earnings	7,421	6,400	7,536
	8,616	7,497	8,664
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>102,779</b>	<b>90,582</b>	<b>95,917</b>

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-31-10	UNAUDITED THREE MONTHS ENDED Dec-31-09	AUDITED YEAR ENDED Sept-30-10
Net interest income	1,202	1,128	4,628
Other income	481	476	1,872
	1,683	1,604	6,500
Loan impairment expense/(recovery)	(4)	(10)	261
Operating expenses	797	596	2,842
<b>Profit before tax</b>	<b>890</b>	<b>1,018</b>	<b>3,397</b>
Tax	373	431	1,415
<b>Net profit after tax</b>	<b>517</b>	<b>587</b>	<b>1,982</b>
<b>Earnings per stock unit (G\$)</b>	<b>1.72</b>	<b>1.96</b>	<b>6.61</b>
<b>Average number of stock units ('000,000)</b>	<b>300</b>	<b>300</b>	<b>300</b>



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

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED	UNAUDITED THREE MONTHS ENDED	AUDITED YEAR ENDED
	Dec-31-10	Dec-31-09	Sept-30-10
<b>Net profit after tax</b>	<b>517</b>	<b>587</b>	<b>1,982</b>
Net gains/(losses) on available-for-sale investments	18	(61)	(18)
Tax relating to components of other comprehensive income	(8)	28	7
<b>Other Comprehensive income for the period, net of tax</b>	<b>10</b>	<b>(33)</b>	<b>(11)</b>
<b>Total Comprehensive Income for the period net of tax</b>	<b>527</b>	<b>554</b>	<b>1,971</b>

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

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED	UNAUDITED THREE MONTHS ENDED	AUDITED YEAR ENDED
	Dec-31-10	Dec-31-09	Sept-30-10
<b>Operating Activities</b>			
Profit before taxation	890	1,018	3,397
Adjustments for non-cash items	73	55	550
Increase in operating assets	(2,703)	(1,752)	(5,882)
Increase in operating liabilities	6,785	828	5,534
Corporation taxes paid	(285)	(272)	(1,258)
<b>Cash from operating activities</b>	<b>4,760</b>	<b>(123)</b>	<b>2,341</b>
<b>Investing Activities</b>			
Net increase/(decrease) in investments	(1,316)	1,953	(880)
Additions to premises and equipment	(167)	(71)	(579)
Proceeds from sale of premises and equipment	-	-	18
<b>Cash used in investing activities</b>	<b>(1,483)</b>	<b>1,882</b>	<b>(1,441)</b>
<b>Financing Activities</b>			
Increase/(decrease) in balances due to other banks	109	79	(303)
Dividends paid	(575)	(525)	(775)
<b>Cash used in financing activities</b>	<b>(466)</b>	<b>(446)</b>	<b>(1,078)</b>
<b>Net increase/ (decrease) in cash resources</b>	<b>2,811</b>	<b>1,313</b>	<b>(178)</b>
Cash and cash equivalents at beginning of period/year	6,439	6,617	6,617
<b>Cash and cash equivalents at end of period/year</b>	<b>9,250</b>	<b>7,930</b>	<b>6,439</b>
<b>Supplemental Information:</b>			
Interest received during the period/year	1,545	1,332	5,415
Interest paid during the period/year	156	159	925
Dividends received	-	-	4

**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>					
Three months ended December 31, 2010					
<b>Balance at October 1, 2010</b>	<b>300</b>	<b>300</b>	<b>528</b>	<b>7,536</b>	<b>8,664</b>
Total comprehensive income for the period	-	-	10	517	527
Transfer to general banking risk reserve	-	-	57	(57)	-
Dividends	-	-	-	(575)	(575)
<b>Balance at December 31, 2010</b>	<b>300</b>	<b>300</b>	<b>595</b>	<b>7,421</b>	<b>8,616</b>
<b>Unaudited</b>					
Three months ended December 31, 2009					
<b>Balance at October 1, 2009</b>	<b>300</b>	<b>300</b>	<b>498</b>	<b>6,370</b>	<b>7,468</b>
Total comprehensive income for the period	-	-	(33)	587	554
Transfer to general banking risk reserve	-	-	32	(32)	-
Dividends	-	-	-	(525)	(525)
<b>Balance at December 31, 2009</b>	<b>300</b>	<b>300</b>	<b>497</b>	<b>6,400</b>	<b>7,497</b>
<b>Audited</b>					
Year ended September 30, 2010					
<b>Balance at October 1, 2009</b>	<b>300</b>	<b>300</b>	<b>498</b>	<b>6,370</b>	<b>7,468</b>
Total comprehensive income for the period	-	-	(11)	1,982	1,971
Transfer to general banking risk reserve	-	-	41	(41)	-
Dividends	-	-	-	(775)	(775)
<b>Balance at September 30, 2010</b>	<b>300</b>	<b>300</b>	<b>528</b>	<b>7,536</b>	<b>8,664</b>

**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, 2010, the stockholdings of Republic Bank Limited in the Bank was 51%. The CL Financial Group holds through its various subsidiaries 52.39% of the shares of Republic Bank Limited.

On January 31, 2009, Central Bank of Trinidad & Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad & Tobago assumed control of the affairs of CLICO Investment Bank (CIB). Further, on February 13, 2009, the Central Bank of Trinidad & Tobago issued a Notification pursuant to sections 44D and 44E of the Central Bank Act, Chap. 79:02 that the Central Bank of Trinidad & Tobago assumed control of the affairs of Colonial Life Insurance Company (Trinidad) Limited (CLICO). These two companies are part of the CL Financial Group.

In accordance with the provisions of both Notifications, the Central Bank of Trinidad & Tobago has the power to deal with the assets of the Companies, including the Republic Bank Limited shares. The Central Bank of Trinidad & Tobago will not receive any benefit financial or otherwise from the exercise of its powers under the Central Bank Act. As at December 31, 2010, the combined shareholding of Republic Bank Limited for CLICO and CIB is 52.11%.

For the purpose of these financial statements, the related party note has not been amended to reflect the Central Bank control and has been prepared in a manner consistent with previous publications.

**2. Basis of preparation**

This interim financial report for the period ended December 31, 2010 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, 2010.

**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, 2010.





**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**4. Capital commitments**

	UNAUDITED Dec-31-10	UNAUDITED Dec-31-09	AUDITED Sept-30-10
Contracts for outstanding capital expenditure not provided for in the financial statements	105	0	373
Other capital expenditure authorised by the Directors but not yet contracted for	3,759	3,045	2,826

**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 income statement.

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, 2010, the balance in the General Banking Risk Reserve of \$409 million is part of Other Reserves which totals \$595 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-31-10	UNAUDITED Dec-31-09	AUDITED Sept-30-10
<b>Outstanding balances</b>			
<b>Loans, investments and other assets</b>			
CL Financial Group	-	-	-
Republic Bank Limited (Parent)	-	-	2
Fellow subsidiaries	-	-	2
Directors and key management personnel	47	42	41
Other related parties	221	327	1,266
	<u>268</u>	<u>369</u>	<u>1,311</u>
Provision for amounts due from related parties	-	-	-
<b>Deposits and other liabilities</b>			
CL Financial Group	348	521	606
Republic Bank Limited (Parent)	315	272	425
Fellow subsidiaries	10	13	9
Directors and key management personnel	74	70	80
Other related parties	1,448	840	914
	<u>2,195</u>	<u>1,716</u>	<u>2,034</u>
<b>Interest and other income</b>			
Directors and key management personnel	-	-	2
Other related parties	7	8	98
	<u>7</u>	<u>8</u>	<u>100</u>
<b>Interest and other expense</b>			
CL Financial Group	-	1	2
Republic Bank Limited (Parent)	-	-	3
Directors and key management personnel	1	1	2
Other related parties	4	2	5
	<u>5</u>	<u>4</u>	<u>12</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-31-10	UNAUDITED Dec-31-09	AUDITED Sept-30-10
Short term benefits	27	24	59
	<u>27</u>	<u>24</u>	<u>59</u>

**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**7. Segment reporting**

a) The Bank analyses its operations by geographic segments reflecting its management structure as follows:

	Interest Income and Other Income	Profit Before Taxation
<b>Unaudited</b>		
<b>Three months ended December 31, 2010</b>		
Retail Lending	329	315
Corporate and Commercial Lending	549	567
Investment	516	516
Deposit Business	84	(140)
Foreign Business	325	325
Other Services	21	21
<b>Sub-Total</b>	<u>1,824</u>	<u>1,604</u>
Unallotted	83	(714)
<b>Total</b>	<u>1,907</u>	<u>890</u>
	Interest Income and Other Income	Profit Before Taxation
<b>Unaudited</b>		
<b>Three months ended December 31, 2009</b>		
Retail Lending	275	267
Corporate and Commercial Lending	488	506
Investment	541	541
Deposit Business	82	(157)
Foreign Business	327	327
Other Services	43	43
<b>Sub-Total</b>	<u>1,756</u>	<u>1,527</u>
Unallotted	86	(509)
<b>Total</b>	<u>1,842</u>	<u>1,018</u>
	Interest Income and Other Income	Profit Before Taxation
<b>Audited</b>		
<b>Year ended September 30, 2010</b>		
Retail Lending	1135	1055
Corporate and Commercial Lending	2023	1842
Investment	2,162	2,162
Deposit Business	170	(752)
Foreign Business	1,254	1,254
Other Services	369	369
<b>Sub-Total</b>	<u>7,113</u>	<u>5,930</u>
Unallotted	309	(2,533)
<b>Total</b>	<u>7,422</u>	<u>3,397</u>

	Guyana	Trinidad & Tobago	Other Countries	Total
<b>b) Unaudited</b>				
<b>Three months ended December 31, 2010</b>				
Interest income and other income	1,863	5	39	1,907
<b>Unaudited</b>				
<b>Three months ended December 31, 2009</b>				
Interest income and other income	1,803	5	34	1,842
<b>Audited</b>				
<b>Year ended September 30, 2010</b>				
Interest income and other income	7,205	21	196	7,422



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FINANCIAL STATEMENTS  
ENDED DECEMBER 31, 2010**

**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**8. Contingent liabilities**

a) As at December 31, 2010 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 December 31, 2010	UNAUDITED December 31, 2009	AUDITED September 30, 2010
Acceptances	0	10	10
Guarantees	1,488	1,629	1,401
Letters of Credit	141	159	369
	<u>1,629</u>	<u>1,798</u>	<u>1,780</u>
<b>Sectoral Information</b>			
State	68	63	67
Corporate and commercial	1,545	1,712	1,693
Personal	4	13	20
Other	12	10	-
	<u>1,629</u>	<u>1,798</u>	<u>1,780</u>

**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**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, 2010**

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 an associate)

**as at December 31, 2009**

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 an associate)

**as at September 30, 2010**

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 an associate)



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