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CHAIRMAN'S COMMENTS

GROUP FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED MARCH 31, 2009

As reported in the first quarter, the Caribbean economies in which we operate continue to experience the effects of the international slowdown. With the uncertainty surrounding the eventual depth and length of this worldwide recession, provisions of \$201.7 million have been made for doubtful debts and securities, which negatively impacted our results for the half-year.

As a result, the Group has achieved a profit attributable to shareholders of \$432.2 million for the half-year ended March 31, 2009. This represents a decline of 31.4% over the profit reported for the comparable period ended March 31, 2008.

The Group is well capitalized and our core profitability remains strong at \$819.5 million reflecting a 4% increase over March 2008. Total assets increased by 4.07% to \$40.9 billion and deposits have increased by \$1.0 billion for the same period.

The Board of Directors has therefore approved a half-year dividend of \$1.15, (\$1.15, March 2008) which will be paid to shareholders on May 29, 2009.

On behalf of the Board I wish to take the opportunity to thank our customers and staff for their continued support over the last six months.

Ronald F. deC. Harford
Chairman

CONSOLIDATED BALANCE SHEET

	UNAUDITED Mar-31-09 \$'000	UNAUDITED Mar-31-08 \$'000	AUDITED Sept-30-08 \$'000
ASSETS			
Cash resources	10,170,482	8,433,937	9,841,967
Advances	21,888,122	21,014,583	22,841,399
Investment securities	4,957,488	6,141,061	5,058,584
Premises and equipment	1,379,640	1,173,166	1,300,274
Net pension asset	1,118,700	1,065,119	1,090,852
Other assets	1,458,473	1,515,594	1,433,624
TOTAL ASSETS	40,972,905	39,343,460	41,566,700
LIABILITIES & EQUITY			
LIABILITIES			
Due to banks	372,329	496,866	403,297
Customers' deposits and other funding instruments	31,057,200	30,015,190	31,693,823
Debt securities in issue	1,443,492	1,399,819	1,531,111
Other liabilities	1,874,702	1,779,889	1,887,179
	34,747,723	33,691,764	35,515,410
EQUITY			
Stated capital	580,229	559,567	568,747
Statutory reserves	473,302	313,946	426,180
Other reserves	650,376	223,044	185,577
Retained earnings	4,017,020	4,092,550	4,378,099
	5,720,927	5,189,107	5,558,603
Minority interest	504,255	462,589	492,687
TOTAL LIABILITIES & EQUITY	40,972,905	39,343,460	41,566,700

UNAUDITED HALF-YEAR FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2009

CONSOLIDATED STATEMENT OF INCOME

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-09 \$'000	Mar-31-08 \$'000	Mar-31-09 \$'000	Mar-31-08 \$'000	Sept-30-08 \$'000
Net interest income	515,352	466,263	1,053,405	932,419	1,983,835
Other income	237,951	240,669	472,623	497,560	994,128
	753,303	706,932	1,526,028	1,429,979	2,977,963
Loan impairment expense	(174,836)	(15,407)	(201,720)	(20,835)	(34,390)
Operating expenses	(360,047)	(324,039)	(719,550)	(660,525)	(1,435,349)
Operating profit	218,420	367,486	604,758	748,619	1,508,224
Share of profits of associated companies	6,463	18,918	13,036	18,918	40,766
Allocation of Visa Inc. shares	-	112,050	-	112,050	112,050
Profit before taxation	224,883	498,454	617,794	879,587	1,661,040
Taxation	(47,583)	(106,155)	(141,864)	(193,685)	(354,352)
Loss on discontinued operations	-	-	-	(2,552)	(2,552)
Net profit after taxation	177,300	392,299	475,930	683,350	1,304,136
Attributable to:					
Equity holders of the parent	155,350	362,818	432,171	629,651	1,203,890
Minority interest	21,950	29,481	43,759	53,699	100,246
	177,300	392,299	475,930	683,350	1,304,136
Earnings per share					
Basic			\$2.69	\$3.93	\$7.51
Diluted			\$2.68	\$3.92	\$7.50
Average number of shares ('000)					
Basic			160,531	160,215	160,295
Diluted			161,205	160,444	160,538
Dividend based on the results of the period			\$1.15	\$1.15	\$3.38

CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED SIX MONTHS ENDED	UNAUDITED SIX MONTHS ENDED	AUDITED YEAR ENDED
	Mar-31-09 \$'000	Mar-31-08 \$'000	Sept-30-08 \$'000
Operating Activities			
Profit before taxation	617,794	879,587	1,661,040
Adjustments for non-cash items	108,630	13,098	(13,353)
Increase / (decrease) in operating assets	223,510	(1,428,722)	(3,760,154)
(Decrease) / increase in operating liabilities	(608,778)	1,032,935	2,808,695
Corporation taxes paid	(195,080)	(148,230)	(279,954)
Cash provided by operating activities	146,076	348,668	416,274
Investing Activities			
Net (decrease) / increase in investments	(324,986)	(385,987)	913,586
Net change in the composition of the group	-	-	(6,101)
Dividends from associated companies	3,252	5,770	21,063
Additions to fixed assets	(147,690)	(159,243)	(395,810)
Proceeds from sale of fixed assets	572	6,730	73,396
Cash (used in) / provided by investing activities	(468,852)	(532,730)	606,134
Financing Activities			
Decrease in balances due to other banks	(30,968)	(103,704)	(197,273)
Repayment of debt securities	(87,619)	(37,269)	(43,399)
Net proceeds from bond issue	-	635,797	776,535
Net proceeds from share issue	7,328	3,619	9,157
Dividends paid to shareholders of the parent	(357,744)	(320,344)	(504,708)
Dividends paid to minority shareholders of the subsidiaries	(30,504)	(28,850)	(43,181)
Cash (used in) / provided by financing activities	(499,507)	149,249	(2,869)
Net (decrease) / increase in cash resources	(822,283)	(34,813)	1,019,539
Net foreign exchange difference	(10,978)	2,392	10,791
Cash and cash equivalents at beginning of period / year	6,399,805	5,369,475	5,369,475
Cash and cash equivalents at end of period / year	5,566,544	5,337,054	6,399,805
Supplemental Information:			
Interest received during the period / year	1,575,845	1,537,985	3,141,777
Interest paid during the period / year	526,230	556,520	1,116,333
Dividends received	1,610	1,789	2,711



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**UNAUDITED HALF-YEAR
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STATEMENT OF CHANGES IN EQUITY

	Stated Capital \$'000	Statutory Reserves \$'000	Other Reserves \$'000	Retained Earnings \$'000	Total equity attributable to equity holders of the parent \$'000	Minority Interest \$'000	Total Equity \$'000
Quarter ended March 31, 2009							
Balance at October 1, 2008	568,747	426,180	185,577	4,378,099	5,558,603	492,687	6,051,290
Realised gains transferred to net profit	-	-	234	-	234	-	234
Revaluation of available-for-sale investments	-	-	66,992	-	66,992	(4,684)	62,308
Translation adjustments	-	-	9,404	-	9,404	2,997	12,401
Share of changes recognised directly in associate's equity	-	-	(671)	-	(671)	-	(671)
Total income and expense recognised directly in equity	-	-	75,959	-	75,959	(1,687)	74,272
Profit for the period	-	-	-	432,171	432,171	43,759	475,930
Total income and expense for the period	-	-	75,959	432,171	508,130	42,072	550,202
Issue of shares	7,328	-	-	-	7,328	-	7,328
Share-based payment	4,154	-	-	-	4,154	-	4,154
Transfer to general contingency reserves	-	-	388,840	(388,840)	-	-	-
Transfer to statutory reserves	-	47,122	-	(47,122)	-	-	-
Other	-	-	-	456	456	-	456
Dividends	-	-	-	(357,744)	(357,744)	-	(357,744)
Dividends paid to minorities	-	-	-	-	-	(30,504)	(30,504)
Balance at March 31, 2009	580,229	473,302	650,376	4,017,020	5,720,927	504,255	6,225,182
Quarter ended March 31, 2008							
Balance at October 1, 2007	552,486	308,608	187,850	3,812,929	4,861,873	425,555	5,287,428
Realised gains transferred to net profit	-	-	(2,377)	-	(2,377)	-	(2,377)
Revaluation of available-for-sale investments	-	-	31,859	-	31,859	13,625	45,484
Revaluation - derivatives	-	-	(1,446)	-	(1,446)	-	(1,446)
Translation adjustments	-	-	(4,929)	-	(4,929)	(2,125)	(7,054)
Share of changes recognised directly in associate's equity	-	-	(4,604)	-	(4,604)	-	(4,604)
Total income and expense recognised directly in equity	-	-	18,503	-	18,503	11,500	30,003
Profit for the period	-	-	-	629,651	629,651	53,699	683,350
Total income and expense for the period	-	-	18,503	629,651	648,154	65,199	713,353
Issue of shares	3,619	-	-	-	3,619	-	3,619
Share-based payment	3,462	-	-	-	3,462	-	3,462
Transfer to general contingency reserves	-	-	27,029	(27,029)	-	-	-
Transfer to statutory reserves	-	5,338	-	(5,338)	-	-	-
Other	-	-	(10,338)	2,681	(7,657)	685	(6,972)
Dividends	-	-	-	(320,344)	(320,344)	-	(320,344)
Dividends paid to minorities	-	-	-	-	-	(28,850)	(28,850)
Balance at March 31, 2008	559,567	313,946	223,044	4,092,550	5,189,107	462,589	5,651,696
Year ended September 30, 2008							
Balance at October 1, 2007	552,486	308,608	187,850	3,812,929	4,861,873	425,555	5,287,428
Realised gains transferred to net profit	-	-	(3,823)	-	(3,823)	690	(3,133)
Revaluation of available-for-sale investments	-	-	6,743	-	6,743	15,059	21,802
Translation adjustments	-	-	(16,803)	-	(16,803)	(5,682)	(22,485)
Share of changes recognised directly in associate's equity	-	-	(136)	-	(136)	-	(136)
Total income and expense recognised directly in equity	-	-	(14,019)	-	(14,019)	10,067	(3,952)
Profit for the year	-	-	-	1,203,890	1,203,890	100,246	1,304,136
Total income and expense for the year	-	-	(14,019)	1,203,890	1,189,871	110,313	1,300,184
Issue of shares	9,157	-	-	-	9,157	-	9,157
Share-based payment	7,104	-	-	-	7,104	-	7,104
Transfer to general contingency reserves	-	-	22,084	(22,084)	-	-	-
Transfer to statutory reserves	-	117,572	-	(117,572)	-	-	-
Other	-	-	(10,338)	5,644	(4,694)	-	(4,694)
Dividends	-	-	-	(504,708)	(504,708)	-	(504,708)
Dividends paid to minorities	-	-	-	-	-	(43,181)	(43,181)
Balance at September 30, 2008	568,747	426,180	185,577	4,378,099	5,558,603	492,687	6,051,290

NOTES TO THE FINANCIAL STATEMENTS

1 Corporate information

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. 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 Investment Bank and Colonial Life Insurance Company (Trinidad) Limited ("the Companies") own 53.82% of the shares in Republic Bank Limited. In accordance with the provisions of both Notifications, the Central Bank of Trinidad & Tobago has the power to deal with the shares and assets of the Companies, including the Republic Bank Limited shares. As at March 31, 2009, there has been no transfer of ownership of the Republic Bank Limited shares. In the interim, therefore, and for the purpose of these financial statements, the related party note has been prepared in a manner consistent with previous publications.

2 Basis of preparation

This interim financial report for the half-year period ended March 31, 2009 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, 2008.

3 Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended September 30, 2008.

4 Capital commitments

	UNAUDITED Mar-31-09 \$'000	UNAUDITED Mar-31-08 \$'000	AUDITED Sept-30-08 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	81,645	139,487	225,394
Other capital expenditure authorized by the Directors but not yet contracted for	137,242	69,675	13,843

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 Contingency 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 Contingency Reserve serves to enhance the Group's fixed capital base. As at March 31, 2009, the balance in the General Contingency Reserve was \$606.4 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 Mar-31-09 \$'000	UNAUDITED Mar-31-08 \$'000	AUDITED Sept-30-08 \$'000
Outstanding balances			
Loans, investments and other assets			
CL Financial Group	836,642	723,030	885,478
Associates	5,949	2,794	3,758
Directors and key management personnel	30,958	34,531	33,843
Other related parties	118,354	18,566	11,132
	991,903	778,921	934,211
Provision for amounts due from related parties	134,264	-	-
Deposits and other liabilities			
CL Financial Group	551,338	411,926	1,076,995
Associates	21,583	4,963	81
Directors and key management personnel	49,775	49,603	45,522
Other related parties	33,526	44,185	11,580
	656,222	510,677	1,134,178
Interest and other income			
CL Financial Group	48,827	11,801	73,804
Associates	16	8	25
Directors and key management personnel	1,257	608	2,304
Other related parties	2,695	769	1,418
	52,795	13,186	77,551



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NOTES TO THE FINANCIAL STATEMENTS

Interest and other expense

CL Financial Group	5,048	2,533	18,329
Associates	189	25	57
Directors and key management personnel	2,143	1,020	4,152
Other related parties	76	1,110	230
	<u>7,456</u>	<u>4,688</u>	<u>22,768</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

Key management compensation

Short term benefits	24,431	22,941	45,788
Post employment benefits	998	1,325	1,343
Termination benefits	1,644	1,807	2,301
Long term benefits	25	35	179
	<u>27,098</u>	<u>26,108</u>	<u>49,611</u>

7 Segment reporting

The Group analyses its operations by both geographic and business segments. The primary format is geographic reflecting its management structure as follows:

	Trinidad & Tobago \$'000	Barbados \$'000	Cayman, Guyana & Eastern Caribbean \$'000	Eliminations \$'000	Total - continuing operations \$'000	Dominican Republic - discontinued operations \$'000	Total \$'000
Unaudited							
Six months ended March 31, 2009							
Net interest income	736,659	182,205	134,541	-	1,053,405	-	1,053,405
Other income	494,351	62,220	47,245	(118,157)	485,659	-	485,659
Operating income	1,231,010	244,425	181,786	(118,157)	1,539,064	-	1,539,064
Operating expenses and loan impairment expense	(691,721)	(142,738)	(96,231)	9,420	(921,270)	-	(921,270)
Profit before taxation	539,289	101,687	85,555	(108,737)	617,794	-	617,794
Total assets	29,559,790	9,354,373	7,527,776	(5,469,034)	40,972,905	-	40,972,905
Total liabilities	24,663,728	8,262,924	6,107,525	(4,286,454)	34,747,723	-	34,747,723
Depreciation	55,373	5,937	7,909	-	69,219	-	69,219
Capital expenditure on premises and equipment	108,933	26,542	12,215	-	147,690	-	147,690
Unaudited							
Six months ended March 31, 2008							
Net interest income	616,521	179,288	136,610	-	932,419	123	932,542
Other income	577,865	90,402	53,145	(92,884)	628,528	3,461	631,989
Operating income	1,194,386	269,690	189,755	(92,884)	1,560,947	3,584	1,564,531
Operating expenses and loan impairment expense	(473,564)	(127,073)	(87,300)	6,577	(681,360)	(6,136)	(687,496)
Profit before taxation	720,822	142,617	102,455	(86,307)	879,587	(2,552)	877,035
Total assets	27,491,624	9,504,435	7,563,797	(5,216,396)	39,343,460	-	39,343,460
Total liabilities	23,045,746	8,531,180	6,159,909	(4,045,071)	33,691,764	-	33,691,764
Depreciation	47,573	6,156	5,581	-	59,310	-	59,310
Capital expenditure on premises and equipment	117,521	13,299	28,423	-	159,243	-	159,243
Audited							
Year ended September 30, 2008							
Net interest income	1,359,943	349,189	274,703	-	1,983,835	123	1,983,958
Other income	1,011,868	164,204	110,572	(139,700)	1,146,944	3,461	1,150,405
Operating income	2,371,811	513,393	385,275	(139,700)	3,130,779	3,584	3,134,363
Operating expenses and loan impairment expense	(966,525)	(277,759)	(241,791)	16,336	(1,469,739)	(6,136)	(1,475,875)
Profit before taxation	1,405,286	235,634	143,484	(123,364)	1,661,040	(2,552)	1,658,488
Total assets	29,983,345	9,818,254	7,615,652	(5,850,551)	41,566,700	-	41,566,700
Total liabilities	25,166,903	8,810,727	6,211,810	(4,674,030)	35,515,410	-	35,515,410
Depreciation	80,210	12,039	11,768	-	104,017	-	104,017
Capital expenditure on premises and equipment	216,951	60,333	118,526	-	395,810	-	395,810

8 Contingent liabilities

As at March 31, 2009, there were certain legal proceedings outstanding against the Group. 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 action to determine that eventuality.

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