

## Republic Financial Holdings Limited

### Results for the Half Year Ended March 31, 2017

#### Earnings Per Share

For the Half Year Ended March 31, 2017 (HY17), Republic Financial Holdings Limited (RFHL) reported Diluted Earnings Per Share (EPS) of \$3.90. This represented an increase of 7.44 per cent or \$0.27 per share on the corresponding period's EPS of \$3.63 in fiscal 2016.

#### Financial Highlights (HY17 on HY16)

	HY17	HY16	\$ Change	% Change	YE16
	\$'000	\$'000	HY17 - HY16	HY17 - HY16	\$'000
			\$'000		
Net Interest Income	1,601,087	1,539,185	61,902	4.02%	3,057,147
Other Income	729,863	693,478	36,385	5.25%	1,413,741
<b>Operating Income</b>	<b>2,330,950</b>	<b>2,232,663</b>	<b>98,287</b>	<b>4.40%</b>	<b>4,470,888</b>
Operating Expenses	(1,381,368)	(1,326,923)	(54,445)	4.10%	(2,613,040)
<b>Profit Before Taxation from Core Operations</b>	<b>949,582</b>	<b>905,740</b>	<b>43,842</b>	<b>4.84%</b>	<b>1,857,848</b>
Net Share of Profits/(Losses) of Associated Companies	3,956	2,786	1,170	42.00%	(1,045)
<b>Operating Profit</b>	<b>953,538</b>	<b>908,526</b>	<b>45,012</b>	<b>4.95%</b>	<b>1,856,803</b>
Goodwill Impairment Expense	0	0	0	0.00%	(107,309)
Loan Impairment Expense	(80,581)	(106,748)	26,167	-24.51%	(412,622)
<b>Profit Before Taxation</b>	<b>872,957</b>	<b>801,778</b>	<b>71,179</b>	<b>8.88%</b>	<b>1,336,872</b>
Taxation	(207,186)	(200,326)	(6,860)	3.42%	(393,759)
<b>Profit After Taxation</b>	<b>665,771</b>	<b>601,452</b>	<b>64,319</b>	<b>10.69%</b>	<b>943,113</b>
Attributable to:					
Equity Holders of the Parent	630,549	586,303	44,246	7.55%	946,307
Non-Controlling Interest	35,222	15,149	20,073	132.50%	(3,194)
	<b>665,771</b>	<b>601,452</b>	<b>64,319</b>	<b>10.69%</b>	<b>943,113</b>
EPS - Basic	\$3.90	\$3.63	\$0.27	7.44%	\$5.87
<b>EPS - Diluted</b>	<b>\$3.90</b>	<b>\$3.63</b>	<b>\$0.27</b>	<b>7.44%</b>	<b>\$5.86</b>

For the six-month period under review, Net Interest Income grew 4.02 per cent or \$61.90MM to \$1.60B from \$1.54B in HY16. Other Income rose 5.25 per cent or \$36.39MM from \$693.48MM (HY16) to \$729.86MM (HY17). Overall Operating Income increased by 4.40 per cent or \$98.29MM from \$2.23B in HY16 to \$2.33B in HY17. The Bank's Trinidad and Tobago operations accounted for \$2.23B of this figure and showed significant improvement of 38.66 per cent on HY16.

Operating Expenses increased 4.10 per cent or \$54.45MM from \$1.33B in HY16 to \$1.38B in HY17. Share of Profits of Associated Companies closed HY17 at \$4.0MM, up 42.00 per cent or \$1.17MM from HY16's total of \$2.79MM. Thus, Operating Profit for the period under review stood at \$953.54MM, up 4.95 per cent or \$45.01MM from \$908.53MM in HY16.

The Bank's efficiency ratio improved from 59.43 per cent in HY16 to 59.26 per cent in HY17.

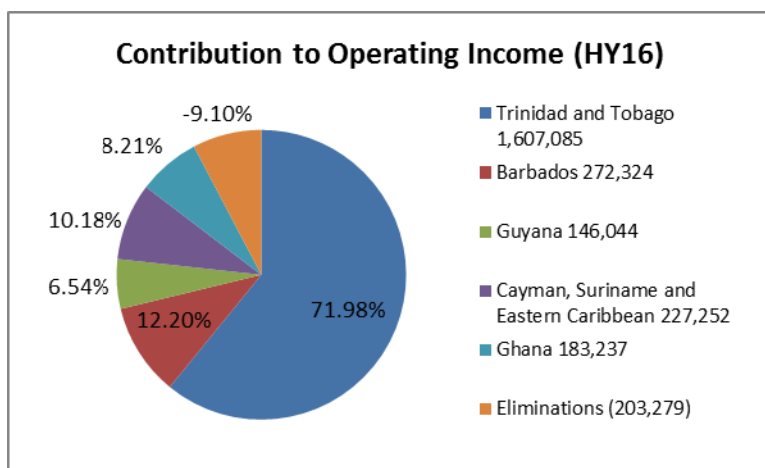
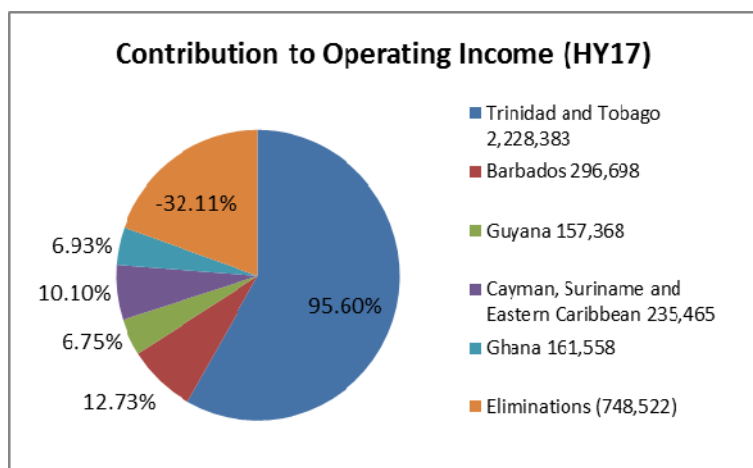
RFHL saw a decline in its Loan Impairment Expense, down 24.51 per cent or \$26.17MM from \$106.75MM in HY16 to \$80.58MM in HY17. As at March 31, 2017, the provision for loan impairment stood at an annualized 0.47 per cent as compared to 1.20 per cent for fiscal 2016.

The Total Assets of the Bank as at HY17 amounted to \$68.87B, up 1.85 per cent or \$1.25B on HY16 and up 3.01 per cent or \$2.01B on YE16. Advances, RFHL's largest asset, ended the six-month period at \$34.39B, up 1.77 per cent when compared to the \$33.79B at HY16.

### Operating Income by Geographic Segment (HY17 on HY16)

	HY17 \$'000	HY16 \$'000	\$ Change HY17 - HY16 \$'000	% Change HY17 - HY16
Trinidad and Tobago	2,228,383	1,607,085	621,298	38.66%
Barbados	296,698	272,324	24,374	8.95%
Guyana	157,368	146,044	11,324	7.75%
Cayman, Suriname and Eastern Caribbean	235,465	227,252	8,213	3.61%
Ghana	161,558	183,237	(21,679)	-11.83%
Eliminations	(748,522)	(203,279)	(545,243)	268.22%
<b>Total</b>	<b>2,330,950</b>	<b>2,232,663</b>	<b>98,287</b>	<b>4.40%</b>

### Contribution to Operating Income by Geographic Segment (HY17 on HY16)



\*Eliminations represent outstanding balances with other entities within the Group which are required to be eliminated in the preparation of consolidated financial statements



### Profit Before Tax by Geographic Segment (HY17 on HY16)

	HY17 \$'000	HY16 \$'000	\$ Change HY17 - HY16 \$'000	% Change HY17 - HY16
Trinidad and Tobago	1,360,920	797,548	563,372	70.64%
Barbados	111,341	89,715	21,626	24.11%
Guyana	67,800	69,482	(1,682)	-2.42%
Cayman, Suriname and Eastern Caribbean	82,498	69,396	13,102	18.88%
Ghana	(1,455)	(9,446)	7,991	-84.60%
Eliminations	(748,147)	(214,917)	(533,230)	248.11%
<b>Total</b>	<b>872,957</b>	<b>801,778</b>	<b>71,179</b>	<b>8.88%</b>

### Dividends

The Board of Directors declared a half-year dividend of \$1.25 per share (2016: \$1.25) which will be paid on June 1, 2017 to shareholders on record as at May 12, 2017.

At the current price of \$101.91 the P/E ratio is 16.62 times which is above the banking sector weighted average P/E of 14.32 times. RFHL's historic dividend yield is 4.26 per cent compared to the banking sector weighted average dividend yield of 4.11 per cent.

Financial Year End	September 30
Symbol on TTSE	RFHL
Issued Share Capital	162.35MM
Market Capitalization	\$16.56B
Current Price (as at May 10, 2017)	\$101.91
52 Week Price Range	\$101.90 - \$111.00
Trailing EPS	\$6.13
Trailing Price to Earnings Multiple	16.6 x
Current Book Value/Share	\$57.12
Price to Book	1.8 x
Return on Equity	13.7%
Return on Assets	1.9%
Dividend Yield	4.3%

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