

RBTT FINANCIAL GROUP

for the quarter ending December 31, 2002

CHAIRMAN'S REPORT

The Group recorded a profit attributable to shareholders of US\$62.7 million for the nine (9) months ended December 31, 2002, representing an increase of US\$10.4 million, or 20% over the corresponding period last year. A strong performance in the third quarter produced net profits of US\$25.4 million compared to US\$16.4 million and US\$20.6 million in the first and second quarters respectively. These increased earnings reflect effective Treasury management, growth in Foreign Exchange transactions and operating efficiencies. Earnings per share for the nine-month period was US\$0.18 in comparison to US\$0.15 for the same period in 2001.

While total group assets showed only moderate growth, the loans and advances portfolio grew by 16% or US\$241 million over the period, as some of our overseas subsidiaries replaced low yielding investments with higher yielding advances.

The regional economies remain sluggish, and falling interest rates and lower yields have presented challenges to management. We also continue to focus on implementing our integration programme which will enable us to reduce operating costs associated with our recent group wide acquisitions. In the face of this, the Group has produced very gratifying results to date, and barring any unforeseen developments, we expect to have continued strong

profit growth in the final quarter, and to achieve for the 16th consecutive year a new record level of earnings.

I take this opportunity to advise our shareholders that they should not be influenced by uninformed and speculative commentaries regarding our strategic alliance with the Guardian Holdings Group. Your Board assures all shareholders and stakeholders that RBTT continues to adhere strictly to best practice in Corporate Governance and the laws and regulations under which the Group's operations must be administered.

US\$ CONSOLIDATED BALANCE SHEET

	UNAUDITED	UNAUDITED	AUDITED
	As at 31.12.02 (US\$'000)	As at 31.12.01 (US\$'000)	As at 31.03.02 (US\$'000)
A S S E T S			
Cash resources	615,226	566,949	793,670
Loans and advances	1,761,555	1,165,802	1,519,350
Investments	1,478,619	1,578,026	1,551,827
Investments in associate companies and joint ventures	74,386	44,468	51,180

Other assets	635,590	521,175	549,033
TOTAL ASSETS	<u>4,565,376</u>	<u>3,876,420</u>	<u>4,465,060</u>
LIABILITIES			
Due to banks and associated companies	204,567	108,044	130,827
Customers' deposits and Other funding instruments	3,482,195	3,055,661	3,588,176
Other liabilities	466,819	362,123	389,900
TOTAL LIABILITIES	<u>4,153,581</u>	<u>3,525,828</u>	<u>4,108,903</u>
NET ASSETS	<u>411,795</u>	<u>350,592</u>	<u>356,157</u>
Minority interest in subsidiary companies	5,977	6,441	6,732
Shareholders' Equity			
Share capital	130,477	130,218	130,218
Statutory reserves	45,058	37,360	41,239
Other reserves	37,970	29,103	29,101
Retained earnings	<u>192,313</u>	<u>147,470</u>	<u>148,867</u>
Total Shareholders' Equity	405,818	344,151	349,425

TOTAL EQUITY	411,795	350,592	356,157
	=====	=====	=====

US\$ CONSOLIDATED PROFIT AND LOSS ACCOUNT

	UNAUDITED 9 Months Ended 31.12.02 (US\$ '000)	UNAUDITED 9 Months Ended 31.12.01 (US\$ '000)	AUDITED 12 Months Ended 31.03.02 (US\$ '000)
Net interest income	144,328	120,401	161,578
Other income	<u>84,423</u>	<u>76,836</u>	<u>105,947</u>
Total Net Income	<u>228,751</u>	<u>197,237</u>	<u>267,525</u>
Non-interest expenses	<u>154,653</u>	<u>136,396</u>	<u>182,930</u>
Operating Profit	74,098	60,841	84,595
Share of profits of associate companies and joint ventures	<u>3,039</u>	<u>3,099</u>	<u>6,598</u>
Profit Before Taxation	77,137	63,940	91,193
Taxation	<u>13,611</u>	<u>10,930</u>	<u>12,132</u>
Profit After Taxation	63,526	53,010	79,061
Minority Interest	<u>856</u>	<u>716</u>	<u>1,308</u>

Profit Attributable to Shareholders	62,670	52,294	77,753
	=====	=====	=====
EARNINGS PER SHARE FOR THE PERIOD			
- BASIC	\$0.18	\$0.15	\$0.23
- DILUTED	\$0.18	\$0.15	\$0.23

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital (US\$'000)	Statutory Reserves (US\$'000)	Other Reserves (US\$'000)	Retained Earnings (US\$'000)	Total Shareholders' Equity (US\$'000)
Nine months ended December 31, 2002					
Balance at beginning of year	130,218	41,239	29,099	148,868	349,424
Currency translation differences		(50)	(8,767)	(15)	(8,832)
Profit attributable to shareholders				62,670	62,670
Gains from changes in fair value			20,550		20,550
Gains transferred to net profit			(3,371)		3,371
Transfer to statutory reserves		3,869		(3,869)	-
Other reserve movements			459		459
Dividends				(15,341)	(15,341)
Issue of shares	259				259
Balance at end of period	130,477	45,058	37,970	192,313	405,818
	=====	=====	=====	=====	=====

Nine months ended December 31, 2001

Balance at beginning of year

-As previously stated	130,185	35,962	11,101	110,548	287,796
-Effect of adopting IAS 39			18,442		18,442
-As restated	130,185	35,962	29,543	110,548	306,238
Currency translation differences			364		364
Profit attributable to shareholders				52,294	52,294
Gains from changes in fair value			870		870
Transfer to statutory reserves		1,398		(1,398)	-
Issue of shares	33				33
Other reserve movements			(1,674)	(282)	(1,956)
Dividends				(13,692)	(13,692)
Balance at end of period	130,218	37,360	29,103	147,470	344,151

Twelve months ended March 31, 2002

Balance at beginning of year

-As previously stated	130,185	35,962	11,101	110,548	287,796
-Effect of adopting IAS 39			18,473		18,473
-As restated	130,185	35,962	29,574	110,548	306,269
Currency translation differences		29	(4,070)	(67)	(4,108)
Profit attributable to shareholders				77,753	77,753
Gains from changes in fair value			11,143		11,143
Gains transferred to net profit			(9,688)		(9,688)
Transfer to statutory reserves		5,248		(5,248)	-
Transfer to general banking risks reserve			1,853	(1,203)	650
Issue of shares	33				33
Other reserve movements			289	(55)	234
Dividends				(32,861)	(32,861)

Balance at end of year

130,218 41,239 29,101 148,867 349,425
=====

CONSOLIDATED STATEMENT OF CHANGES IN CASH RESOURCES

	31.12.02 (US\$ '000)	31.12.01 (US\$ '000)
Operating Activities		
Profit before taxation	77,137	63,940
Adjustments for non cash items	12,327	17,705
Operating Profit Before Changes In Operating Assets and Liabilities	<u>89,464</u> =====	<u>81,645</u> =====
Increase in operating assets	(265,141)	(45,390)
Increase in operating liabilities	5,180	72,853
Corporation taxes paid	(10,245)	(6,671)
Cash (Used In)/ Provided By Operating Activities	<u>(180,742)</u> =====	<u>(102,437)</u> =====
Investing Activities		
Investment in subsidiary, associated companies and joint ventures	(19,351)	(65,380)

Net decrease in investments	99,676	124,222
Additions to premises and equipment	(19,487)	(9,503)
Proceeds from sale of premises	158	565
Cash Provided By Investing Activities	60,996	49,904
Financing Activities		
Issue of shares	259	-
Repayment of borrowed funds	(39,788)	-
Dividends paid	(19,169)	(29,573)
Cash Used In Financing Activities	58,698	29,573
Net (Decrease)/Increase In Cash Resources	(178,444)	122,768
Cash Resources At Beginning Of Year	793,670	444,181
Cash Resources At End of Period	615,226	566,949

NOTES TO THE FINANCIAL STATEMENTS

1. **ACCOUNTING POLICIES**

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended March 31, 2002.

2. **SHARE CAPITAL**

The share capital increased by US\$ 259,246 as a result of the issue of shares under the Group's Share Option Plan.

3. **SEGMENT INFORMATION**

For the 9 months ended	Total Revenue		Operating Profit	
	31.12.02 (US\$'000)	31.12.01 (US\$'000)	31.12.02 (US\$'000)	31.12.01 (US\$'000)
Trinidad and Tobago	172,353	195,797	54,305	36,386
Other Caribbean Territories	183,555	169,297	19,793	24,455
	<u>355,908</u>	<u>365,094</u>	<u>74,098</u>	<u>60,841</u>
	=====	=====	=====	=====

The reduction in consolidated total revenue and increase in consolidated operating profit reflect contracting interest rates and redeployment of Group assets in accordance with the Group's expansion strategy.
