

RBTT FINANCIAL HOLDING LIMITED

CONSOLIDATED HIGHLIGHT

for the quarter ending June 30, 2004

Chairman's Report

I am pleased to report that the RBTT GROUP recorded after tax earnings attributable to shareholders of US\$28 million for the first quarter, a 20% improvement over the corresponding period last year.

The Group's operating profit increased by 29% from US\$27 million to US\$34 million, with the growth being achieved predominantly in Trinidad and Tobago. This improvement was partially offset by a decline in our share of profits of associate companies, and a three percentage point (3%) increase over the previous year in the consolidated effective tax rate, also arising from the operations of the associate companies.

Group assets increased US\$220 million for the quarter, mainly on account of the consolidation of the Caribbean Commercial Bank in Barbados, the acquisition of which was consummated on June 24 2004.

Looking ahead, we expect the Group to continue to produce solid earnings growth in the remaining fiscal period.

Shareholders have been advised of the appointment of Mr. Jerome Sookial to the position of Group Chief Executive Officer with effect from September 1, 2004. I am confident that this

appointment will enhance the management and governance structure of the Organization, and its capacity for continued growth.

Peter J. July
Group Chairman

CONSOLIDATED BALANCE SHEET

Expressed in US Dollars

	UNAUDITED As at 30.06.04 (\$'000)	UNAUDITED As at 30.06.03 (\$'000)	UNAUDITED As at 30.06.04 (\$'000)
ASSETS			
Cash resources	721,822	786,706	847,397
Loans and advances	2,319,399	1,870,538	2,162,986
Originated securities	332,141	45,422	266,991
Investment securities	1,468,739	1,463,780	1,366,148
Investments in associate companies and joint ventures	123,004	86,671	107,827
Other assets	633,473	636,728	627,576
TOTAL ASSETS	<u>5,598,578</u>	<u>4,889,845</u>	<u>5,378,925</u>
LIABILITIES			
Due to banks and associate companies	287,467	222,275	256,182
Customers' deposits and Other funding instruments	4,379,361	3,778,012	4,162,135
Other liabilities	418,681	462,648	452,692
TOTAL LIABILITIES	<u>5,085,509</u>	<u>4,462,935</u>	<u>4,871,009</u>
NET ASSETS			
	<u>513,069</u>	<u>426,910</u>	<u>507,916</u>
Minority interest in subsidiary companies	8,000	6,819	7,558

Shareholders' Equity	135,058	130,808	132,847
Share capital	53,538	47,366	52,740
Statutory reserves	30,743	23,325	22,595
Other reserves	285,730	218,592	292,176
Retained earnings	505,069	420,091	500,358
Total Shareholders' Equity	513,069	426,910	507,916
TOTAL EQUITY	=====	=====	=====

CONSOLIDATED PROFIT & LOSS ACCOUNT

Expressed in US Dollars

	UNAUDITED 3 Months Ended 30.06.04 (\$'000)	UNAUDITED 3 Months Ended 30.06.03 (\$'000)	UNAUDITED 3 Months Ended 30.06.04 (\$'000)
Net Interest Income	62,786	56,326	235,676
Other Income	37,683	32,165	169,887
Total Net Income	100,469	88,491	405,563
Non-interest expenses	65,983	61,812	255,887
Operating Profit	34,486	26,679	149,676
Share of profits of associate companies and joint ventures	706	1,578	7,188
Profit before Taxation	35,192	28,257	156,864
Taxation	6,372	4,325	26,149
Profit after Taxation	28,820	23,932	130,715
Minority Interest	418	292	1,389
Profit Attributable to Shareholders	28,402	23,640	129,326
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Expressed in US Dollars	Share Capital (\$'000)	Statutory Reserves (\$'000)	Other Reserves (\$'000)	Retained Earnings (\$'000)	Total Shareholders' Equity (\$'000)
Three months ended 30 June 2004					
Balance at beginning of year	132,847	52,740	22,595	292,176	500,358
Currency translation differences			(370)	(1)	(371)
Profit attributable to shareholders				28,402	28,402
Investment securities					
Gains from changes in fair value			8,306		8,306
Gains transferred to net profit			(409)		(409)
Transfer to statutory reserves		798		(798)	-
Transfer to general banking risks reserve			632	(632)	-
Issue of shares	2,211				2,211
Other reserve movements			(11)	215	204
Dividends				(33,632)	(33,632)
Balance at end of period	135,058	53,538	30,743	285,730	505,069
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Three months ended 30 June 2003					
Balance at beginning of year	130,646	46,999	15,974	220,437	413,065
Currency translation differences		(6)	(4,576)	(1,058)	(5,640)
Profit attributable to shareholders				23,640	23,640
Investment securities					
Gains from changes in fair value			11,944		11,944
Gains transferred to net profit			(21)		(21)
Transfer to statutory reserves		1,373		(1,373)	-
Issue of shares	162				162
Other reserve movements			4	(26)	(22)
Dividend				(23,028)	(23,028)
Balance at end of period	130,808	47,366	23,325	218,592	420,091
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Year ended 31 March 2004					
Balance at beginning of year	130,646	45,998	15,974	220,437	413,055
Currency translation differences		(1)	(15,893)	(1,382)	(17,276)

Profit attributable to shareholders			129,326	129,326
Investment securities				
Gains from changes in fair value		19,457		19,457
Gains transferred to net profit		(4,837)		(4,837)
Disposal of investment in associate company		(12,548)	219	(12,329)
Transfer to statutory reserves	6,743		(6,743)	-
Transfer from retained earnings		100	(100)	-
Transfer to general banking risks reserve		5,084	(5,084)	-
Reclassification of regulatory loan losses		15,036		15,036
Issue of shares	2,201			2,201
Surplus arising on revaluation of property		122		122
Other reserve movements		100	(78)	22
Dividends			(44,419)	(44,419)
Balance at end of year	132,847	52,740	22,595	292,176
				500,358

CONSOLIDATED STATEMENT OF CHANGES IN CASH RESOURCES

Expressed in US Dollars

	UNAUDITED	UNAUDITED
	3 Months Ended	3 Months Ended
	30.06.04	30.06.03
	(\$'000)	(\$'000)
Operating Activities		
Profit before taxation	35,192	28,257
Adjustments for non cash Items	10,639	8,115
Operating Profit Before Changes In Operating Assets and Liabilities	45,831	36,372
Increase in operating assets	(167,596)	(124,628)
Increase In operating liabilities	235,290	151,224
Corporation taxes paid	(5,441)	(5,680)
Cash Provided by Operating Activities	108,044	57,288

Investing Activities

Investment In subsidiary, associate companies and joint ventures	(25,468)	(802)
Dividends received from associate companies and)oInt ventures	2,576	1,036
Net (Increase)/dearease In Investments and originated securities	(176,037)	52,158
Additions to premises and equipment	(5,714)	(3,626)
Proceeds from sale of premises & equipment	122	-
Cash (Used In)/ProvIded by Investing Activities	(204,521)	48,766

Financing Activities

Dividends paid	(33,632)	(23,028)
Issue of shares	2,211	162
Net increase In other borrowed funds	2,283	29,944
Cash (Used In)/Provided by Financing Activities	(29,138)	7,078

Net (Decrease)/Increase In Cash Resources

(125,575) 113,132

NOTES TO FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES**

The accounting policies used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended March 31 2004.

2. SHARE CAPITAL

The share capital Increased by US\$ 2,211,267 as a result of the issue of shares under the Group's Share Option Plan.

3. ACQUISITIONS

On 24 June, 2004 the Group completed the acquisition of Caribbean Commercial Bank (CCB) in Barbados for a consideration of US\$25.4 million (TT\$158.1 million). The value of net assets acquired was

US\$18.8 million (TT\$116.7 million).

4. SEGMENT INFORMATION

For the three months ended	Total Revenue		Operating profit	
	30.06.04	30.06.03	30.06.04	30.06.03
	\$'000	\$'000	\$'000	\$'000
Trinidad and Tobago	67,612	55,137	18,565	11,150
Other Caribbean Territories	73,379	74,035	15,921	15,529
	<u>140,991</u>	<u>129,172</u>	<u>34,486</u>	<u>26,679</u>
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