

RBTT FINANCIAL HOLDINGS LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS

for the six months ended September 30, 2004

Chairman's Report

Despite the unusual occurrence of Hurricane Ivan in September, and its negative impact on regional economies, particularly that of Grenada, the Group recorded a profit attributable to shareholders for the six-month period ended September 30th, 2004 of US\$52.2 million compared to US\$52.1 million in the previous year.

The strong earnings momentum reported in Quarter 1 was affected by charges made against earnings of US\$16.7 million in Quarter 2, of which US\$11.9 million related to unrealized mark to market losses caused by the downgrading of the sovereign credit rating of Grenada in September and October 2004. This is included in Other Income. We also considered it prudent to establish a provision of US\$4.8 million against possible future losses arising from disaster in Grenada, which is included in non-interest expenses. Excluding these unexpected charges and the corresponding effect on taxation and minority interest, the profit attributable to shareholders would have been US\$63.2 million in line with our business forecast and representing growth of 21.4% over the comparable period in the previous year.

None of our operations in other markets have been materially affected as a result of the hurricane and the Group's balance sheet continues to reflect solid growth with assets increasing by US\$328.8 million or 6.1% over the six-month period, loans accounting for US\$229.8 million or 70%

of this growth. Shareholders' Equity also grew by 5.9% from US\$500.4 million to US\$529.7 million.

The Group has a strong capital base and a solid and diversified earnings stream, and we expect that barring further unforeseen developments, our operating profits will increase over the remaining two quarters of this fiscal year.

Peter J. July
Group Chairman

CONSOLIDATED BALANCE SHEET

	UNAUDITED As at 30.09.04 (\$'000)	UNAUDITED As at 30.09.03 (\$'000)	AUDITED As at 31.03.04 (\$'000)
Expressed in US Dollars			
ASSETS			
Cash resources	748,432	703,917	847,397
Loans and advances	2,392,755	1,967,572	2,162,986
Originated securities	293,563	46,380	266,991
Investment securities	1,503,081	1,480,928	1,366,148
Investments in associate companies and joint ventures	121,166	88,934	107,827
Due from associated companies		16,216	

Other assets	<u>632,462</u>	<u>747,756</u>	<u>627,576</u>
TOTAL ASSETS	<u>5,707,675</u>	<u>5,035,487</u>	<u>5,378,925</u>
LIABILITIES			
Due to banks and associate companies	260,907	260,550	256,182
Customers' deposits and Other funding instruments	4,498,181	3,801,506	4,162,135
Other liabilities	<u>412,850</u>	<u>521,450</u>	<u>452,692</u>
TOTAL LIABILITIES	<u>5,171,938</u>	<u>4,583,506</u>	<u>4,871,009</u>
NET ASSETS	<u>535,737</u>	<u>451,981</u>	<u>507,916</u>
Minority interest in subsidiary companies	6,029	7,092	7,558
Shareholders' Equity			
Share capital	135,658	130,890	132,847
Statutory reserves	54,993	48,942	52,740
Other reserves	29,540	20,363	22,595
Retained earnings	<u>309,517</u>	<u>244,694</u>	<u>292,176</u>
Total Shareholders' Equity	<u>529,708</u>	<u>444,889</u>	<u>500,358</u>
Total Equity	<u>535,737</u>	<u>451,981</u>	<u>507,916</u>

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	UNAUDITED 6 Months Ended 30.09.04 (\$'000)	UNAUDITED 6 Months Ended 30.09.03 (\$'000)	AUDITED 12 Months Ended 31.03.04 (\$'000)
Expressed in US Dollars			
Net interest income	124,586	115,218	235,676
Other income	65,539	74,905	169,887
Total Net Income	<u>190,125</u>	<u>190,123</u>	<u>405,563</u>
Non-interest expenses	<u>130,417</u>	<u>131,050</u>	<u>255,887</u>
Operating Profit	59,708	59,073	149,676
Share of profits of associate companies and joint ventures	<u>2,048</u>	<u>3,557</u>	<u>7,188</u>
Profit before Taxation	61,756	62,630	156,864
Taxation	10,511	9,986	26,149
Profit after Taxation	51,245	52,644	130,715
Minority Interest	(976)	585	1,389
Profit Attributable to Shareholders	<u>52,221</u>	<u>52,059</u>	<u>129,326</u>

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)
Six months ended September 30 2004					
Balance at beginning of year	132,847	52,740	22,595	292,176	500,358
- As previously stated					
- Effect of adopting IFRS 3, IAS 36(revised) & IAS 38 (revised)				2,401	2,401
- As restated	132,847	52,740	22,595	294,577	502,759
Currency translation differences		1	(446)	51	(394)
Profit attributable to shareholders				52,221	52,221
Investment securities					
- Gains from changes in fair value			7,278		7,278
- Gains transferred to net profit			(1,275)		(1,275)
Transfer to statutory reserves		2,252		(2,252)	-
Transfer to general banking risks reserve			1,367	(1,367)	-
Issue of shares	2,811				2,811
Surplus arising on revaluation of property			(11)		(11)
Other reserve movements			32	(81)	(49)
Dividends				(33,632)	(33,632)
Balance at end of period	135,658	54,993	29,540	309,517	529,708
<hr style="border-top: 1px dashed black;"/>					
Six months ended September 30 2003					
Balance at beginning of year	130,646	45,999	15,974	220,437	413,056
Currency translation differences		(6)	(6,848)	(1,801)	(8,655)
Profit attributable to shareholders				52,059	52,059
Investment securities					
- Gains from changes in fair value			11,864		11,864
- Gains transferred to net profit			(630)		(630)
Transfer to statutory reserves		2,949		(2,949)	-

Issue of shares	244				244
Other reserve movements			3	(24)	(21)
Dividends				(23,028)	(23,028)
Balance at end of period	130,890	48,942	20,363	244,694	444,889

Year ended 31 March 2004

Balance at beginning of year	130,646	45,999	15,974	220,437	413,056
Currency translation differences		(2)	(15,893)	(1,382)	(17,277)
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

	UNAUDITED 6 Months Ended 30.09.04 (\$'000)	UNAUDITED 6 Months Ended 30.09.03 (\$'000)
Expressed in US Dollars		
Operating Activities		
Profit before taxation	61,756	62,630
Adjustments for non-cash items	33,328	11,509
	95,084	74,139
Operating Profit Before Changes In Operating Assets & Liabilities		
Increase in operating assets	(264,971)	(311,314)
Increase/(Decrease) in operating liabilities	182,948	261,094
Corporation taxes paid	(7,164)	(9,185)
Cash Provided by Operating Activities	5,897	14,734
Investing Activities		
Investment in subsidiary, associate companies and joint venture	(25,527)	(4,951)
Dividends received from associate companies and joint venture	3,658	1,465
Net (increase)/decrease in investments and originated securities	(185,063)	31,236
Additions to premises and equipment	(12,199)	(11,818)
Proceeds from sale of premises & equipment	276	728
Cash (Used In)/Provided By Investing Activities	(218,855)	16,660
Financing Activities		
Dividends paid	(33,632)	(23,028)
Dividends paid to minority interests	(571)	-
Issue of shares	2,811	244
Other borrowed funds	145,385	21,734

Cash Provided by/(Used In) Financing Activities	113,993	(1,050)
Net Decrease/(Increase) In Cash Resources	(98,965)	30,344
Cash Resources at Beginning of Year	847,397	673,573
Cash Resources at End of Period	748,432	703,917
	=====	=====

NOTES TO FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2004 other than the adoption of the standards outlined below.

2. ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Group has adopted IFRS 3 - Business Combinations along with IAS 36(revised) - Impairment of Assets and IAS 38(revised) - Intangible Assets. The effect of these adoptions are that goodwill ceases to be amortised effective 01 April, 2004 and is now subjected to an annual impairment test and negative goodwill as at 01 April, 2004 has been transferred to opening retained earnings.

3. SHARE CAPITAL

The share capital increased by USD \$2,810,799 as a result of the issue of shares under the Group's Share Option Plan.

4. SEGMENT INFORMATION

For the six months ended	Total Revenue		Operating Profit	
	30.09.04 \$'000	30.09.03 \$'000	30.09.04 \$'000	30.09.03 \$'000
Trinidad and Tobago	127,008	124,827	30,487	22,507

Other Caribbean Territories	146,058	146,896	29,221	36,566
	<u>273,066</u>	<u>271,723</u>	<u>59,708</u>	<u>59,073</u>

The foregoing Consolidated Financial Highlights present an abridged version off the Group's results expressed in US dollars to provide readers with a quick and convenient view of the Group's financial performance referenced against a major international currency. The Group's reporting currency is Trinidad and Tobago dollars.