

RBTT FINANCIAL HOLDINGS LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS

for the quarter ending September 30, 2003

Chairman's Report

I am pleased to report that the RBTT Group recorded earnings attributable to shareholders of US\$52 million for the half-year ended September 30, 2003, an increase of US\$15 million or 40% over the corresponding period last year. The strong performance in the first quarter improved further in quarter two, with profits moving up by 20% from US\$23.5 million to US\$28.4 million. Sixty-two per cent (62%) of the Operating Profit for the period was earned outside of Trinidad and Tobago as compared with 43% in the previous year, with the major contributions to the improved profitability being the subsidiaries in the Dutch Caribbean and Jamaica. The profitability of our operations in Trinidad and Tobago was slightly below our forecast, and earnings from the Eastern Caribbean Group, while better than in the previous year, also fell short of our financial targets for this period.

On September 5, 2003, your Board advised of a material event resulting from the Group's decision to upstream its investment in certain major Insurance subsidiaries of the Guardian Holdings Limited (GHL) Group to the level of the Group holding company, GHL. At a special meeting on October 14, 2003, the shareholders of GHL gave their approval for GHL to issue the new shares to RBTT. Consequently, subsequent to September 30, 2003, RBTT obtained a shareholding interest of 15.7% in Guardian Holdings Limited (GHL). This transaction reflects the Group's thrust to strengthen its strategic alliance with the GHL Group and to be able to

offer to its customers a full range of Integrated financial services, a strategic objective underlying the Alliance.

While conditions in our markets continue to be challenging we expect that, barring unforeseen circumstances, the Group will maintain its strong earnings momentum through the second half of the financial year.

Peter J. July
Group Chairman

CONSOLIDATED BALANCE SHEET

| | UNAUDITED As at 30.09.03 (\$'000) | UNAUDITED As at 30.09.02 (\$'000) | AUDITED As at 31.03.03 (\$'000) |
|---------------------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------|
| Expressed in US Dollars | | | |
| ASSETS | | | |
| cash resources | 703,917 | 700,971 | 673,573 |
| Loans and advances | 1,967,572 | 1,679,585 | 1,772,502 |
| Originated securities | 46,380 | - | 45,488 |
| Investment securities | 1,480,928 | 1,446,000 | 1,522,208 |
| Investments in associate companies and joint venture | 88,934 | 73,837 | 84,543 |

| | | | |
|------------------------------------------------------|------------------|------------------|------------------|
| Other assets | 747,756 | 604,993 | 624,773 |
| TOTAL ASSETS | 5,035,487 | 4,505,326 | 4,723,087 |
| LIABILITIES | | | |
| Customers' deposits and Other funding instruments | 4,062,056 | 3,657,042 | 3,872,307 |
| Other liabilities | 521,450 | 458,786 | 431,203 |
| TOTAL LIABILITIES | 4,583,506 | 4,115,828 | 4,303,510 |
| NET ASSETS | 451,981 | 389,498 | 419,577 |
| Minority interest in subsidiary companies | 7,092 | 5,610 | 6,521 |
| Total Shareholders' Equity | 444,889 | 383,888 | 413,056 |
| TOTAL EQUITY | 451,981 | 389,498 | 419,577 |

CONSOLIDATED PROFIT AND LOSS ACCOUNT

| | UNAUDITED 6 Months Ended 30.09.03 (\$'000) | UNAUDITED 6 Months Ended 30.09.02 (\$'000) | AUDITED 12 Months Ended 31.03.03 (\$'000) |
|--------------------------------|-----------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|
| Expressed in US Dollars | | | |
| Net interest income | 115,217 | 93,710 | 200,221 |

| | | | |
|--------------------------------------------------------------|----------------|----------------|----------------|
| Other income | 74,906 | 50,699 | 127,652 |
| Total Net Income | <u>190,122</u> | <u>144,409</u> | <u>327,873</u> |
| Non-interest expenses | <u>131,051</u> | <u>100,723</u> | <u>221,023</u> |
| Operating Profit | 59,071 | 43,686 | 106,850 |
| Share of profits of associate companies and joint venture | <u>3,557</u> | <u>1,573</u> | <u>4,679</u> |
| Profit before Taxation | 62,628 | 45,259 | 111,529 |
| Taxation | 9,986 | 7,582 | 17,298 |
| Profit after Taxation | 52,642 | 37,697 | 94,231 |
| Minority Interest | 585 | 566 | 1,427 |
| Profit Attributable to Shareholders | <u>52,057</u> | <u>37,131</u> | <u>92,804</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, 2003

| | | | | | |
|-------------------------------------|----------------|---------------|---------------|----------------|----------------|
| Balance at beginning of year | 130,646 | 45,998 | 15,974 | 220,437 | 413,055 |
| Currency translation differences | | (5) | (6,848) | (1,799) | (8,652) |
| Profit attributable to shareholders | | | | 52,057 | 52,057 |
| 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) | - |
| Other reserve movements | | | 3 | (24) | (21) |
| Dividends | | | | (23,028) | (23,028) |
| Issue of shares | 244 | | | | 244 |
| Balance at end of period | 130,890 | 48,942 | 20,363 | 244,694 | 444,889 |

Six months ended September 30, 2002

| | | | | | |
|--------------------------------------|----------------|---------------|---------------|----------------|----------------|
| Balance at beginning of year | 130,255 | 41,254 | 29,110 | 148,923 | 349,553 |
| Currency translation differences | | (68) | (5,186) | (136) | (5,390) |
| Profit attributable to shareholders | | | | 37,131 | 37,131 |
| Gains from changes in fair value | | | 19,299 | | 19,299 |
| Gains from transferred to net profit | | | (1,468) | | (1,468) |
| Transfer to statutory reserves | | 2,750 | | (2,750) | - |
| Other reserve movements | | | 1 | | 1 |
| Dividends | | | | (15,343) | (15,343) |
| 105 | | | | | |
| Issue of shares | 105 | | | | 105 |
| Balance at end of period | 130,371 | 43,936 | 41,756 | 167,825 | 383,888 |

Twelve months ended March 31, 2003

| | | | | | |
|--------------------------------------------|---------|--------|----------|----------|----------|
| Balance at beginning of year | 130,266 | 41,254 | 29,110 | 148,923 | 349,553 |
| Effect of change in tax rate | | | 1,252 | | 1,252 |
| Currency translation differences | | (46) | (18,207) | (501) | (18,754) |
| Profit attributable to shareholders | | | | 92,804 | 92,804 |
| Gains from changes in fair value | | | 11,925 | | 11,925 |
| Gains transferred to net profit | | | (9,177) | | (9,177) |
| Surplus arising on revaluation of property | | | 104 | | 104 |
| Transfer to statutory reserves | | 4,790 | | (4,790) | - |
| Transfer to general banking risk reserve | | | 150 | (150) | - |
| Other reserve movements | | | 817 | (502) | 315 |
| Dividends | | | | (15,346) | (15,346) |

| | | | | | |
|-------------------------------|------------|---------------|---------------|----------------|------------|
| Issue of shares | | | | | |
| Balance at end of year | <u>380</u> | <u>45,998</u> | <u>15,974</u> | <u>220,438</u> | <u>380</u> |
| | ===== | ===== | ===== | ===== | ===== |

CONSOLIDATED STATEMENT OF CHANGES IN CASH RESOURCES

| Expressed in US Dollars | UNAUDITED 6 Months Ended 30.09.03 (\$'000) | UNAUDITED 6 Months Ended 30.09.02 (\$'000) |
|--------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Operating Activities | | |
| Profit before taxation | 62,628 | 45,259 |
| Adjustments for non-cash items | 11,511 | 8,940 |
| Operating Profit Before Changes In Operating Assets and Liabilities | 74,139 | 54,199 |
| Increase in operating assets | (311,314) | (159,326) |
| Increase/(Decrease) in operating liabilities | 261,094 | (14,301) |
| Corporation taxes paid | (9,185) | (6,864) |
| Cash Provided by/(Used In) Operating Activities | <u>14,734</u> | <u>(126,292)</u> |

Investing Activities

Investment in subsidiary, associate companies

| | | |
|------------------------------------------------------------------|-----------------------|------------------------|
| and joint venture | (4,951) | (19,358) |
| Dividends received from associate companies and joint venture | 1,465 | - |
| Net decrease in investments | 31,236 | 90,829 |
| Additions to premises and equipment | (11,818) | (11,600) |
| Proceeds from sale of premises & equipment | 728 | 298 |
| Cash Provided By Investing Activities | <u>16,660</u> | <u>60,169</u> |
| Financing Activities | | |
| Dividends paid | (23,028) | (19,176) |
| Issue of shares | 244 | 105 |
| Other borrowed funds | 21,734 | (7,800) |
| Cash Used In Financing Activities | <u>(1,050)</u> | <u>(26,871)</u> |
| Net Increase/(Decrease) In Cash Resources | <u>30,344</u> | <u>(92,994)</u> |

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 2003.

2. ACQUISITIONS

On July 01, 2003 the Group acquired all of the issued shares of Ernst and Young Trust Corporation in Barbados (name subsequently changed to RBTT Trust Corporation) for a consideration of US\$5 million payable in three installments over three years. The amount paid to date was US\$3 million. The value of the net assets acquired was US\$0.5 million.

3. SHARE CAPITAL

The share capital increased by US\$244,408 as a result of the issue of 115,836 shares under the Group's Share Option Plan. Consequently the total number of shares issued and outstanding increased to 340,539,004 as at 30 September, 2003.

4. DIVIDENDS

On 30 October, 2003 the Board of Directors declared an interim dividend of US 6 cents per share (2002 : US 5 cents per share). These financial statements do not reflect the proposed dividend which will be accounted for as an appropriation of retained earnings when paid.

5. SEGMENT INFORMATION

| For six months ended | Total Revenue | | Operating Profit | |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| | 30.09.03 \$'000 | 30.09.02 \$'000 | 30.09.03 \$'000 | 30.09.02 \$'000 |
| Trinidad and Tobago | 124,827 | 111,960 | 22,507 | 24,984 |
| Other Caribbean Territories | 146,896 | 119,658 | 36,564 | 18,702 |
| | <u>271,723</u> | <u>231,618</u> | <u>59,071</u> | <u>43,686</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.
