

RBTT FINANCIAL GROUP

for the quarter ending December 31, 2003

Chairman's Report

In my last report to shareholders announcing our half-year results to September 30, 2003. I indicated that the earnings momentum of the first six months was expected to continue through the second half year. I am now very pleased to report that the Group's performance has met this expectation, and earnings attributable to shareholders moved up strongly from US\$28 million in Quarter 2 to US\$38 million in quarter 3, bringing aggregate earnings for the nine month period to US\$90 million. This represents an improvement of US\$27 million, or 43% over the corresponding period last year.

Our subsidiaries in the Dutch Caribbean, Suriname, Jamaica and Trinidad and Tobago have produced excellent results, and have exceeded their financial targets. Weak business conditions in the Eastern Caribbean continued to impact negatively on our subsidiaries in the final quarter

Our prognosis is for Group earnings to continue to improve through the final three months of the fiscal year.

Peter J. July
Group Chairman

Consolidated Balance Sheet

US Dollars

	UNAUDITED As at (\$'000)	UNAUDITED As at (\$'000)	UNAUDITED As at (\$'000)
Assets			
Cash resources	632,531	615,453	673,573
Loans and advances	2,070,852	1,752,207	1,772,502
Originated securities	46,835	-	45,488
Investment securities	1,521,482	1,479,166	1,522,208
Investments in associated companies and joint ventures	91,822	74,413	84,543
Other assets	626,245	635,825	624,773
TOTAL ASSETS	4,989,907	4,567,064	4,723,087
LIABILITIES			
Customers' deposits and other funding instruments	4,121,854	3,688,127	3,872,307
Other liabilities	411,021	466,990	431,203
TOTAL LIABILITIES	4,532,675	4,155,117	4,303,510
NET ASSETS	457,032	411,947	419,577

Monthly interest in subsidiary companies	7,476	5,979	6,521
Total Shareholders' Equity	<u>449,556</u>	<u>405,968</u>	<u>413,056</u>
TOTAL EQUITY	<u>457,032</u>	<u>411,947</u>	<u>419,577</u>

Consolidated Profit and Loss Account

US Dollars

	UNAUDITED 9 Months Ended 31.12.03 (\$'000)	UNAUDITED 9 Months Ended 31.12.02 (\$'000)	UNAUDITED 12 Months Ended 31.03.03 (\$'000)
Net interest income	176,578	144,382	200,221
Other income	117,286	84,454	127,652
Total Net Income	<u>293,864</u>	<u>228,836</u>	<u>327,873</u>
Non-interest expenses	<u>191,383</u>	<u>154,709</u>	<u>221,023</u>
Operating Profit	102,481	74,127	106,850
Share of profits of associate companies and joint ventures	<u>5,821</u>	<u>3,040</u>	<u>4,679</u>
Profit before Taxation	108,302	77,157	111,529
Taxation	<u>17,799</u>	<u>13,616</u>	<u>17,296</u>
Profit after Taxation	90,503	63,551	94,231
Minority Interest	<u>947</u>	<u>856</u>	<u>1,427</u>

Profit Attributable to Shareholders	89,556	62,695	92,804
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Consolidated Statement of Changes in Equity

US Dollars

	Share Capital (\$'000)	Statutory Reserves (\$'000)	Other Reserves (\$'000)	Retained Earnings (\$'000)	Total Shareholders' Equity (\$'000)
Nine months ended September 30, 2003					
Balance at beginning of year	130,646	45,998	15,974	220,437	413,055
Currency translation differences		(2)	(11,531)		(11,533)
Profit attributable to shareholders				89,556	89,556
Gains from changes in fair value			9,745		9,745
Gains transferred to net profit			(1,755)		(1,755)
Amount arising on disposal of associated co.			(5,883)		(5,664)
Transfer to statutory reserves		4,439		(4,439)	
Other reserve movements			4	37	41
Dividends				(44,419)	(44,419)
Issue of shares	540				540
Balance at end of period	131,185	50,435	6,544	261,391	449,556

Nine months ended September 30, 2002

Balance at beginning of year	130,256	41,254	29,110	148,923	349,553
Currency translation differences		(50)	(8,770)	(16)	(8,836)
Profit attributable to shareholders				62,695	62,695
Gains from changes in fair value			20,557		20,557
Gains transferred to net profit			(3,373)		(3,373)
Transfer to statutory reserves		3,870		(3,870)	
Other reserve movements			459		459
Dividends				(15,346)	(15,346)
Issue of shares	259				259
Balance at end of period	130,525	45,074	37,983	192,386	405,958

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 ratio			1,252		1,252
Currency translation differences		(46)	(18,207)	(501)	(18,754)
Profit attributable to shareholders				92,804	92,804
Gain from changes in fair value			11,925		11,925
Gain 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		380		380
Balance at end of year	130,646	45,998	15,974	220,438
				413,056

Cosolidated Statement of Changes in Cash Resources

US Dollars

	UNAUDITED 9 Months Ended 31.12.03 (\$'000)	UNAUDITED 9 Months Ended 31.12.02 (\$'000)
Operating Activities		
Profit before taxation	108,302	77,167
Adjustments for non cash items	20,136	12,331
Operating Profit Before Changes In Operating Assets and Liabilities	128,438	89,498
Increase in operating Assets	(339,108)	(265,239)
Increase in operating liabilities	278,395	5,181
Corporation taxes paid	(12,320)	(10,248)
Cash Provided by/(Used In) Operating Activities	55,405	(180,808)
Investing Activities		

Investme in subsidiary, associated companies and joint ventures	(35,346)	(19,358)
Dividends received from associated companies and joint ventures	1,496	-
Net (increase)/decrease in investments	(16,864)	99,712
Additions to premises and equipment	(21,487)	(19,494)
Proceeds from sale of premises & equipment	826	158
Cash (Used In)/Provided By Investing Activities	<u>(71,375)</u>	<u>61,018</u>
Financing Activities		
Dividends paid	(44,419)	(19,176)
Issue of shares	540	259
Other borrowed funds	18,908	(39,803)
Cash Used in Financing Activities	<u>(24,971)</u>	<u>(58,720)</u>
Net Decrease in Cash Resources	<u>(40,941)</u>	<u>(178,510)</u>
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Notes

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 March 31 2003.

2. SHARE CAPITAL

The share capital increased by USD \$539,635 as a result of the issue of 255,501 shares under the Group's Share Option Plan. Consequently the total number os shares issued and outstanding increased to 340,678,669 as at 31 December, 2003.

3. ACQUISITIONS

On October 26, 2003 the Group upstreamed its twenty percent (20%) investment in two major subsidiaries of Guardian Holdings Limited (GHL) Group, Guardian General Limited and Guardian Insurance Limited, to the level of the Group holding company, GHL. The consideration for the upstream transaction was the issue of new shares by GHL to RBTT representing a shareholding interest of 15.73% in GHL. Subsequently, on November 11, 2003 the Group purchased an additional 4.27% of outstanding shares of Guardian Holdings Limited (GHL) Group for TTD \$184.5 million (USD \$29.7 million) thus increasing its shareholdings interest in Guardian Holdings Limited (GHL) Group to 20%

4. SEGMENT INFORMATION

For the nine months ended	Total Revenue		Operating profit	
	31.12.03 \$'000	31.12.02 \$'000	31.12.03 \$'000	31.12.02 \$'000
Trinidad and Tobago	220,197	172,417	58,511	53,564
Other Caribbean Territories	195,507	183,623	43,970	20,563
	415,704	356,040	102,481	74,127

The foregoing Consolidated Financial Highlights present an abridged version of 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.
