

## REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

### TO THE SHAREHOLDERS OF REPUBLIC FINANCIAL HOLDINGS LIMITED

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2016, and the summary consolidated statement of comprehensive income for the year then ended, are derived from the audited consolidated financial statements of Republic Financial Holdings Limited for the year ended September 30, 2016. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated November 3, 2016.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the audited consolidated financial statements of Republic Financial Holdings Limited. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Republic Financial Holdings Limited.

### Management's Responsibility for the Summary Consolidated Financial Statements

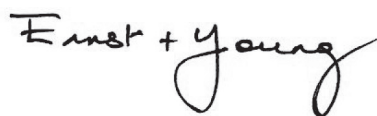
Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

### Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing ISA 810, "Engagements to Report on Summary Financial Statements."

### Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Republic Financial Holdings Limited for the year ended September 30, 2016, are consistent, in all material respects, with those consolidated financial statements, on the basis described in Note 1.



Port of Spain,  
TRINIDAD  
November 3, 2016

# Republic Financial Holdings Limited

## Audited Annual Group Results

	September 30 2016	September 30 2015
	\$ '000	\$ '000
<b>Core profit after taxation</b>	<b>1,183,267</b>	<b>1,174,673</b>
One-off items	(236,960)	48,975
<b>Profit attributable to equity holders of the parent</b>	<b>946,307</b>	<b>1,223,648</b>
Total Assets	66,859,543	66,001,576
Total Liabilities	57,316,848	56,590,967
Total Equity	9,542,695	9,410,609
Earnings per share	\$5.87	\$7.42
Diluted Earnings per share	\$5.86	\$7.39
Dividends per share	\$4.35	\$4.35
Return on average assets	1.42%	2.10%
Return on average equity	10.49%	14.33%

### Note 1

These financial highlights are prepared in accordance with criteria developed by management. Under these criteria, management discloses extracts from the consolidated statement of financial position and consolidated statement of income. These financial highlights are derived from the audited consolidated financial statements of Republic Financial Holdings Limited and its subsidiaries for the year ended September 30, 2016 which have been prepared in accordance with International Financial Reporting Standards.

### CHAIRMAN'S HIGHLIGHTS

Republic Financial Holdings Limited (RFHL) and its subsidiaries, recorded core profits attributable to equity holders of the parent of \$1.18 billion for the year ended September 30, 2016, an increase of \$8.4 million or 0.7% over the core profits of the prior year. However, when the impact of the following one-off items totalling \$236.9 million is accounted for, we achieved profits after tax of \$946.3 million, a decrease of \$277.3 million or 22.7% from the prior year. The three items were:

1. Goodwill impairment of \$107.3 million recognised on investment in HFC Bank (Ghana) Limited (HFC);
2. A loss of \$117.8 million recorded by HFC, of which RFHL's 57.11% share is \$67.8 million and;
3. A \$61.8 million write-down in RFHL's 19.3% stake in East Caribbean Financial Holdings Limited (ECFH).

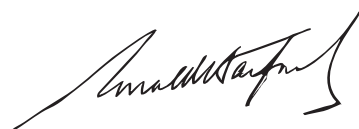
The outlook for the Ghana market and our investment remains positive as we continue our efforts to strengthen the governance and align its systems and procedures towards establishing a platform to benefit from Ghana's future growth. Due to HFC recording losses in the last two years however, and the currency depreciating by over 100% since our initial purchase, we reduced the carrying value of goodwill by \$107.3 million (out of a total goodwill of \$231 million). Given the projected growth rates for the Ghana economy, the stabilisation of the exchange rate, growth in HFC loan and advances on average of 15% per annum in the last two years and opportunities in the banking sector, we project performance to improve in the medium term.

During the year, we also completed two strategic initiatives:

1. On December 16, 2015, RFHL, the umbrella company for all of our main banking subsidiaries was created. This holding company structure will better enable us to segregate and isolate the risk among the various group companies, allow for a more efficient deployment of capital, and will bring us in line with international best practice.
2. In the last quarter of the Fiscal 2016, RFHL acquired a further 23.12% shareholding in Republic Bank (Grenada) Limited, increasing our total shareholding from 51% to 74.12%. This larger shareholding is in keeping with our focus of deepening our footprint across the region and creating a platform for greater operational synergies across the Group.

The Board of Directors has declared a final dividend of \$3.10 for the year ended September 30, 2016 (2015: \$3.10). This brings the total dividend for the fiscal year to \$4.35, the same as that paid for the prior year. This final dividend will be paid on December 1, 2016 to all shareholders on record as at November 14, 2016.

While economic challenges remain in several of the economies in which we operate, especially our main market, Trinidad and Tobago, we believe that the Group with its strong asset base, solid capital position and robust risk management policies, is well positioned to withstand these challenges.



Chairman  
Ronald F. deC. Harford  
November 3, 2016