

Chairman's Report

The RBTT Group posted pre-tax earnings of US \$93.4 million and profit attributable to shareholders of US \$74.3 million for the half-year ended September 30, 2006. These results are 6% and 3% respectively higher than in the prior year. Profit attributable to shareholders for the second quarter was US \$39.3 million, an increase of 12% compared with the US \$35 million earned in the first quarter ended June 30, 2006.

The Group's core business has continued to grow across all our markets. For the six month period under review, total assets grew by US \$476 million or 7%. Loans and advances increased by US \$240 million or 8%, with US \$156 million of the growth being realised in the second quarter. Deposits grew by US \$430 million or 11% during the half-year, with US \$307 million of the growth coming in the second quarter. As anticipated in my report on the first quarter's performance, earnings from our investment banking business also improved in the second quarter.

The Group is on target with its project to upgrade our banking application systems, and we expect to achieve incremental improvements in customer service as the project progresses. With continuing favourable business conditions in the major markets in which we operate, the outlook for the remainder of the year is for an improved rate of profit growth.

Peter J. July
Group Chairman

RBTT FINANCIAL HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEET

	UNAUDITED As at 30.09.06 (\$'000)	UNAUDITED As at 30.09.05 (\$'000)	AUDITED As at 31.03.06 (\$'000)
Expressed in US Dollars			
A S S E T S			
Cash on hand and due from banks	738,708	662,009	652,757
Balances with central banks	423,466	309,546	286,281
Loans and advances to customers	3,376,419	3,034,001	3,136,359
Investment securities	2,135,704	2,378,467	2,125,520
Investment in associate companies and joint venture	35,308	30,753	33,028
Due from associate companies	2,113	7,918	-
Other assets	321,665	311,243	323,437
TOTAL ASSETS	7,033,383	6,733,937	6,557,382
LIABILITIES			
Due to banks and associate companies	170,228	355,485	270,704
Customers' deposits and other Interest bearing liabilities	5,952,233	5,222,175	5,325,629
Other liabilities	213,946	464,591	299,255
TOTAL LIABILITIES	6,336,407	6,042,251	5,895,588
NET ASSETS	696,976	691,686	661,794
Shareholders' Equity			
Share capital	140,191	138,608	139,114
Statutory reserves	69,075	61,902	65,549
Other reserves	19,738	86,472	18,962
Retained earnings	462,325	397,590	432,411
Total Shareholders' Equity	691,329	684,572	656,036
Minority interest	5,647	7,114	5,758
TOTAL EQUITY	696,976	691,686	661,794

RBTT FINANCIAL HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	3 Mths Ended	3 Mths Ended	6 Mths Ended	6 Mths Ended	12 Mths Ended
	30.9.06	30.9.05	30.9.06	30.9.05	31.3.06
Expressed in US Dollars	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Net interest income	70,519	75,037	141,623	144,296	289,513
Other income	52,714	51,394	91,592	94,692	199,266
Total Net Income	123,233	126,431	233,215	238,988	488,779
Provision for credit losses net of recoveries	(4,280)	(10,724)	(1,402)	(14,893)	(25,326)
Non-interest expenses	(71,196)	(70,208)	(140,002)	(136,768)	(283,389)
Operating Profit	47,757	45,499	91,811	87,327	180,064
Share of profits of associate companies and joint venture before tax	1,062	342	1,560	596	2,942
Profit before Taxation	48,819	45,841	93,371	87,923	183,006
Taxation	(9,559)	(7,581)	(19,143)	(16,369)	(35,591)
Profit after Taxation	39,260	38,260	74,228	71,554	147,415
Attributable to:					
Shareholders of the company	39,305	39,380	74,342	72,289	148,559
Minority interest	(46)	(1,120)	(114)	(735)	(1,144)
	39,259	38,260	74,228	71,554	147,415
Earnings per share for the period					
- Basic			\$ 0.22	\$ 0.21	\$ 0.43
- Diluted			\$ 0.22	\$ 0.21	\$ 0.43

RBTT FINANCIAL HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN CASH RESOURCES

	UNAUDITED 6 Mths Ended 30.09.06 (\$'000)	UNAUDITED 6 Mths Ended 30.09.05 (\$'000)
Expressed in US Dollars	<u> </u>	<u> </u>
Operating Activities		
Profit before taxation	93,371	87,923
Adjustments for non-cash items	(3,403)	3,692
	<u> </u>	<u> </u>
Operating Profit Before Changes		
In Operating Assets and Liabilities	89,968	91,615
Increase in operating assets	(379,377)	(336,535)
Increase in operating liabilities	420,309	729,360
Corporation taxes paid	(14,509)	(13,757)
	<u> </u>	<u> </u>
Cash Provided by Operating Activities	116,391	470,683
Investing Activities		
Investment in subsidiary, associate companies and joint ventures	(1,421)	(925)
Dividends received from associate companies and joint ventures	657	-
Net increase in investments	(1,892)	(356,640)
Additions to premises and equipment	(23,597)	(11,397)
Proceeds from sale of premises & equipment	2,420	1,137
	<u> </u>	<u> </u>
Cash Used In Investing Activities	(23,833)	(367,825)
Financing Activities		
Issue of shares	391	1,185
Net increase / (decrease) in other borrowed funds	27,815	(18,288)
Net increase in debt securities in issue	1,138	31,143
Dividends paid	(35,951)	(42,536)
Dividends paid to minority interests	-	(613)
	<u> </u>	<u> </u>
Cash Used In Financing Activities	(6,607)	(29,109)
Net Increase In Cash on Hand and Due from Banks	85,951	73,749
Balances at Beginning of Year	<u>652,757</u>	<u>588,260</u>
Balances at End of Period	<u><u>738,708</u></u>	<u><u>662,009</u></u>

RBTT FINANCIAL HOLDINGS LIMITED

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)	Minority Interest (\$'000)	Total Equity (\$'000)
Six months ended 30 September 2005							
Balance at beginning of year	136,151	58,760	102,148	376,383	673,442	8,500	681,942
Currency translation differences	-	-	(2,860)	1	(2,859)	-	(2,859)
Profit attributable to shareholders	-	-	-	72,289	72,289	(735)	71,554
Investment securities							
-Losses from changes in fair value	-	-	(14,683)	-	(14,683)	(38)	(14,721)
-Gains transferred to net profit	-	-	(3,538)	-	(3,538)	-	(3,538)
Transfer to statutory reserves	-	3,142	-	(3,142)	-	-	-
Transfer to general banking risks reserve	-	-	1,351	(1,351)	-	-	-
Employee share options							
- Value of services provided	1,271	-	-	-	1,271	-	1,271
- Proceeds from shares issued	1,186	-	-	-	1,186	-	1,186
Other reserve movements	-	-	4,054	(4,054)	-	-	-
Dividends	-	-	-	(42,536)	(42,536)	(613)	(43,149)
Balance at end of period	138,608	61,902	86,472	397,590	684,572	7,114	691,686
Six months ended 30 September 2006							
Balance at beginning of year	139,114	65,549	18,962	432,411	656,036	5,758	661,794
Currency translation differences	-	(24)	(1,078)	(1)	(1,103)	3	(1,100)
Profit attributable to shareholders	-	-	-	74,342	74,342	(114)	74,228
Investment securities							
-Losses from changes in fair value	-	-	(2,662)	-	(2,662)	-	(2,662)
-Gains transferred to net profit	-	-	(410)	-	(410)	-	(410)
Transfer to statutory reserves	-	3,550	-	(3,550)	-	-	-
Transfer to general banking risks reserve	-	-	4,926	(4,926)	-	-	-
Employee share options							
- Value of services provided	686	-	-	-	686	-	686
- Proceeds from shares issued	391	-	-	-	391	-	391
Other reserve movements	-	-	-	-	-	-	-
Dividends	-	-	-	(35,951)	(35,951)	-	(35,951)
Balance at end of period	140,191	69,075	19,738	462,325	691,329	5,647	696,976
Twelve months ended 31 March 2006							
Balance at beginning of year as restated	136,151	58,760	116,783	375,260	686,954	8,500	695,454
Currency translation differences	-	54	(8,459)	-	(8,405)	3	(8,402)
Effect of changes in tax rate	-	-	1,535	-	1,535	-	1,535
Profit attributable to shareholders	-	-	-	148,559	148,559	(1,144)	147,415
Investment securities							
-Losses from changes in fair value	-	-	(92,719)	-	(92,719)	(62)	(92,781)
-Gains transferred to net profit	-	-	(8,619)	-	(8,619)	-	(8,619)
Transfer to statutory reserves	-	6,735	-	(6,735)	-	-	-
Transfer to general banking risks reserve	-	-	5,462	(5,462)	-	-	-
Employee share options							
- Value of services provided	1,408	-	-	-	1,408	-	1,408
- Proceeds from shares issued	1,555	-	-	-	1,555	-	1,555
Other reserve movements	-	-	4,979	(6,261)	(1,282)	(926)	(2,208)
Dividends	-	-	-	(72,950)	(72,950)	(613)	(73,563)
Balance at end of year	139,114	65,549	18,962	432,411	656,036	5,758	661,794

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies used in the preparation of these financial statements are consistent with those used in the audited financial statements for the year ended 31 March 2006.

2. SHARE CAPITAL

The share capital increased by USD \$ 1,077,300 as a result of cash received on the issue of 169,838 shares and the recognition of the fair value of options granted under the Group's Share Option Plan. Consequently the total number of shares issued and outstanding increased to 343,634,429 as at 30 September 2006.

3. SEGMENT INFORMATION

For the six months ended Expressed in US Dollars	Total Net Income		Operating Profit	
	30.09.06	30.9.05	30.09.06	30.9.05
	\$'000	\$'000	\$'000	\$'000
Trinidad and Tobago	113,635	125,974	52,432	53,257
Other Caribbean Territories	119,580	113,014	39,379	34,070
	<u>233,215</u>	<u>238,988</u>	<u>91,811</u>	<u>87,327</u>