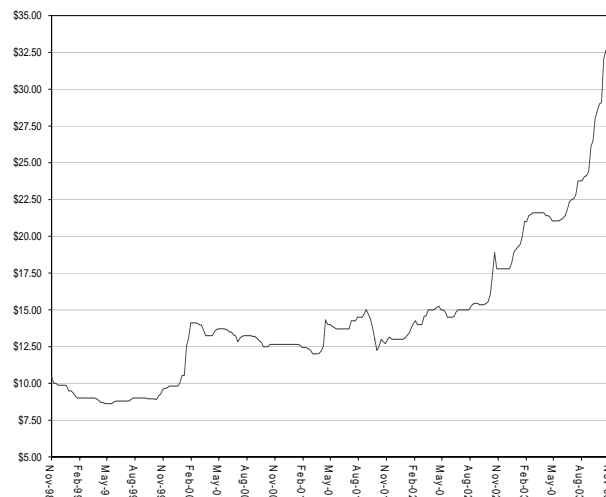


**RBTT Financial Holdings Limited**

Recent Price	\$ 32.75	EPS(est.2003)	\$ 2.30
52 Wk Range	\$ 17.80 - 32.75	Div.(est.2003)	\$ 0.98
Shares O/s	340,539,004	Yield(est.2003)	2.99%
Float	262,010,710	P/E (est.2003)	14.24 X
Market Cap.	\$ 11,152,652,381	Fiscal Yr End	March
<b>ACTUAL</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
P/E Ratio	10.29 X	10.00 X	13.74 X
EPS	\$ 1.42	\$ 1.20	\$ 0.99
Div. Payout	42.25%	42.50%	43.13%
ROE% (Avg)	24.40%	23.82%	23.24%
ROA% (Avg)	2.06%	2.40%	2.52%
B.V. / Share	\$ 5.26	\$ 5.26	\$ 4.70
LT Debt	\$ 655,364,000	\$ 250,000,000	Nil
Pref. Equity	Nil	Nil	Nil
Comm. Equity	\$ 2,170,799,000	\$ 1,787,928,000	\$ 1,602,030,000



In a subsequent event, RBTT Financial Holdings now owns a 15.7 per cent shareholding of Guardian Holdings Limited (GHL). This is the result of a decision taken to upstream the Group's investment from the insurance to the Group level. The Chairman expects the Group's 'strong earnings momentum' to be maintained in the next half. Therefore based on this sentiment, we are revising our full-year EPS projection upward to \$2.30 per share. At the current price of \$32.75, the PE of 14.2 is still attractive, and we recommend this share for all investors.

**The Company**

The Group was incorporated in 1998, when as part of a corporate restructuring exercise the Holdings Company acquired all the issued shares of the Royal Bank of Trinidad and Tobago (est. in 1910 as Royal Bank of Canada) through a one for one exchange of shares. The Group, through its subsidiaries and its associated companies, offers a complete range of banking and financial intermediation services to customers in Trinidad and Tobago and the Caribbean Basin.

Over the period 1998-1999, the Group grew rapidly as a number of new subsidiaries were acquired during this period. These acquisitions included the purchase of 71% of West Indies Stockbrokers Limited (WISE), in 1998. Additionally in 1998 the Group acquired 100% of First National Bank of Aruba and also purchased an additional 10% of Grenada Bank of Commerce in 1998. Through its subsidiary Antilles Banking Corporation (St. Maarten) the Group successfully acquired the St Maarten Branch of Chase Manhattan Bank.

The major shareholders are National Insurance Board 10%, Guardian Life of the Caribbean Limited 20.00% and Roytrin Securities Limited 6.53%.



## **RBTT Financial Holdings Limited**

**Update – Q2 ended September 30, 2003.**

### **WISE IS A SUBSIDIARY OF RBTT FINANCIAL HOLDINGS**

RBTT Financial Holdings maintained the momentum shown in the first quarter with its performance for the six months ended September 30, 2003. Profit attributable to shareholders at the half-year totalled 323.3 million, a 40.2 per cent improvement over the corresponding amount of \$230.6 million achieved in 2002.

Net interest income rose 22.9 per cent to \$715.5 million in 2003 from the \$581.9 million recorded in the similar period in 2002. Other income improved by an even better 47.7 per cent in 2003 to \$465.2 million, up from the \$314.8 million made in 2002. Total net income was up for the half-year by 31.7 per cent, standing at \$1,180.7 million when compared with \$896.8 million made during the same period in 2002. Non interest expenses increased to \$813.8 million in the 2003 period, up 30.1 per cent from \$625.5 million incurred in 2002. Operating profit grew by 35.2 per cent at the half-year, reaching \$366.8 million, while in the corresponding 2002 period, this amount was \$271.3 million. Share of profits of associated companies jumped 126.1 per cent to \$22.1 million in 2003 from the 2002 six month figure of \$9.8 million.

Profit before taxes was 38.4 per cent higher in the six months ended September 30, 2003 at \$388.9 million from the similar period in 2002 when this total was \$281.1 million. There was a strong indicator of increased earnings from overseas subsidiaries via a lower effective tax rate at 15.9 per cent at the half-year, compared to the 16.7 per cent in 2002. Earnings per share for the six months ended September 30, 2003 was 95 cents, an increase of 39.7 per cent over the similar period in 2002 when this amount was 68 cents.

The Chairman stated that the Jamaican and Dutch Caribbean operations continued to contribute positively to the Group overall performance. Revenue from Trinidad and Tobago companies increased 11.5 per cent to \$775.2 million in the 2003 period from \$695.3 million made in the similar period in 2002. The Other Caribbean Territories doubled the local percentage increase, improving 22.8 per cent to \$912.3 million in 2003 over the corresponding period in 2002 when the amount was \$743.1 million. The local operations' contribution to operating profit declined 9.9 per cent to \$139.8 million in 2003 from the previous half-year figure of \$155.2 million. Other Caribbean Territories operating profit increased 95.5 per cent to \$227.1 million from \$116.2 million. Overall, 62.0 per cent of operating profit was earned outside Trinidad and Tobago.

An interim dividend of 39 cents will be paid on November 25, 2003 to registered shareholders as at November 12, 2003. This represents a 39.3 per cent increase over the 28 cents paid in respect of the similar period in 2002.

**RBTT Financial Holdings Limited****Income Statement Analysis (TT\$ millions)**

	2003	2002	2001	2000	1999
Rev.	3,042.10	3,022.84	1,556.155	1,131.549	955.687
Op. Inc.	663.555	525.542	461.917	389.552	255.303
Depr.	99.829	85.866	57.514	58.591	49.190
Int. Exp.	0.000	0.000	0.000	0.000	0.000
Pretax Inc.	692.611	566.534	489.786	401.728	268.006
Eff. Tax Rate	15.51%	13.30%	14.90%	14.02%	16.06%
Net Inc.	576.325	483.04	409.486	339.485	221.339

**Bal. Sheet & Other Fin. Data (TT\$ millions)**

Cash	415.200	638.107	217.814	153.332	126.233
Curr. Assets	4,183.026	4,930.672	2,759.473	2,001.442	1,899.419
Total Assets	29,331.324	27,739.184	19,065.980	15,123.598	11,856.454
Curr. Lia.	24,047.802	23,104.306	15,099.121	11,971.464	8,972.499
LT Debt	0.000	0.000	0.000	0.000	0.000
Common Eq.	2,565.161	2,170.799	1,836.802	1,602.030	1,397.641
Total Cap.	28,949.103	27,363.053	19,065.980	15,123.598	11,856.454
Cap Exp.	-904.265	2,586.717	1,389.944	936.698	-1,169.583
Cash Flow	-727.988	1,612.886	508.031	103.309	-66.496

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