

May 7, 2007

Ms. Marlene Street
Jamaica Stock Exchange
40 Harbour Street
Kingston
JAMAICA, WEST INDIES

Dear Ms. Street

**RE: GUARDIAN HOLDINGS LIMITED FINANCIAL RESULTS FOR
THE PERIOD ENDING MARCH 31, 2007**


We refer to Rule 407 of the Jamaica Stock Exchange Rule Book and advise that at a Board Meeting held on May 2, 2007, the Board of Directors approved the Quarterly Results to March 31, 2007 for Guardian Holdings Limited.

Enclosed herewith please find two copies of the said Results, which are due to be published in the Jamaican Press today.

We also refer to your request of September 13, 2005, to post the financial statements directly to the Jamaica Stock Exchange's website and confirm that the said Results have been posted in PDF format.

Please be guided accordingly.

Yours sincerely
GUARDIAN HOLDINGS LIMITED



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Fé Lopez-Collymore
Corporate Secretary/General Counsel

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First Quarter Results to March 31, 2007

CHAIRMAN'S STATEMENT


The operating performance of the Group for the quarter ended March 31st, 2007 was more than satisfactory with Group revenue showing an increase of 22%. However, our equity investments have again impaired our overall performance. Although the Group showed an operating profit (before fair value losses) of \$87 million, up from \$8 million in the first quarter of 2006, these gains were erased by fair value losses in our equity investments of \$251 million resulting in an overall loss of \$196 million.

However, positive results continue to be shown as a result of the difficult operational decisions we have taken. The Life companies' premium income showed strong growth, increasing by 10% and our Property and Casualty business by 28% over the corresponding period in 2006.

In addition, the UK Property and Casualty business, where most of our operating and cost challenges emerged in 2006, has produced significant growth in both Gross and Net premiums and recorded its first operating profit since 2005. The positive market conditions continue and the prognosis for the remainder of 2007 is very positive.

The asset management companies continue to grow their third party funds under management in spite of the challenging investment climate in the region.

Although the volatile investment climate continues to impact our results, our operating profits are on track to deliver our 2007 targets and we are now well placed to continue the growth trajectory previously established.


Arthur Lok Jack
 Chairman

Consolidated Balance Sheet

	Unaudited Mar. 2007 TTS'000	Unaudited Mar. 2006 TTS'000 (Re-stated)	Audited Dec. 2006 TTS'000
Non-Current Assets			
Property, plant and equipment	626,711	397,300	627,659
Investment properties	733,132	528,072	706,681
Goodwill	1,086,306	817,881	1,077,046
Investment in associated companies	278,503	356,297	271,179
Financial assets	7,702,057	8,447,493	7,955,551
Loans and receivables	694,923	241,232	721,702
Pension plan assets	145,958	133,885	144,383
Value to shareholders of in force long-term business	593,452	528,178	576,843
Deferred tax asset	50,644	49,197	51,043
Reinsurance assets	988,440	1,148,166	1,002,718
	12,900,126	12,647,701	13,134,805
Current Assets	6,891,352	5,041,072	6,130,559
Total Assets	19,791,478	17,688,773	19,265,364
Shareholders' Equity			
Share capital	1,515,972	1,505,031	1,512,951
Reserves	(34,122)	(196,056)	(50,294)
Retained earnings	1,893,797	1,966,178	2,094,025
	3,375,647	3,275,153	3,556,682
Minority interests	12,794	17,755	11,096
	3,388,441	3,292,908	3,567,778
Non-Current Liabilities			
Insurance contracts	10,558,052	9,344,319	10,091,585
Financial liabilities	2,694,728	2,417,872	2,678,862
Post retirement benefit obligations	66,993	56,600	65,478
Deferred consideration	186,665	-	184,249
Deferred tax liability	234,122	224,499	231,005
	13,740,560	12,043,290	13,251,179
Current liabilities	2,662,477	2,352,575	2,446,407
Total Liabilities	16,403,037	14,395,865	15,697,586
Total Equity & Liabilities	19,791,478	17,688,773	19,265,364

Consolidated Income Statement

	Unaudited 3-Months Mar. 2007 TTS'000	Unaudited 3-Months Mar. 2006 TTS'000 (Re-stated)	Audited 12-Months Dec. 2006 TTS'000
Insurance premium revenue	1,256,964	1,125,217	4,592,636
Insurance premium ceded to reinsurers	(224,950)	(284,660)	(897,688)
Net Insurance premium revenue	1,032,014	840,557	3,694,948
Investment Income	175,354	160,766	696,739
Fees & Commission	30,734	19,364	65,938
Other revenue	80,277	52,783	257,041
	1,318,379	1,073,470	4,714,666
Net Insurance benefits and claims	(820,116)	(636,412)	(2,742,834)
Expenses	(411,618)	(429,306)	(1,902,688)
Operating Profit (before fair value losses)	86,645	7,752	69,144
Fair Value losses	(251,138)	(408,028)	(103,454)
Operating Loss	(164,493)	(400,276)	(34,310)
Share of profits of associated Companies	7,464	6,677	24,090
Finance charges	(34,489)	(31,439)	(148,241)
Loss before taxation	(191,518)	(425,038)	(158,461)
Taxation	(25,055)	(16,793)	(77,383)
Loss After Taxation	(216,573)	(441,831)	(235,844)
Amount attributable to participating policyholders	20,544	48,343	1,351
Loss for the period	(196,029)	(393,488)	(234,493)
Attributable to:			
Equity holders of the Company	(196,525)	(394,034)	(235,855)
Minority interests	496	546	1,362
	(196,029)	(393,488)	(234,493)
Loss Per Stock Unit - Basic	(0.97)	(1.95)	(1.17)
Loss Per Stock Unit - Diluted	(0.95)	(1.92)	(1.14)

Conversion Rate: US\$1.00:TTS\$6.3305

Consolidated Statement Of Changes In Equity

	Unaudited Mar. 2007 TTS'000	Unaudited Mar. 2006 TTS'000	Audited Dec. 2006 TTS'000
Balance at the beginning of the period - restated	3,567,778	3,750,175	3,750,175
Share option scheme - value of services provided	3,021	2,187	10,107
Surplus on revaluation of properties	(236)	-	38,735
Translation adjustments	15,344	15,640	117,602
Other reserve movements	(1,437)	(926)	3,975
Purchase of minority interest	-	-	(6,562)
Loss for the year	(196,029)	(393,488)	(234,493)
Dividends	-	(80,680)	(111,761)
Balance at the end of the period	3,388,441	3,292,908	3,567,778

Consolidated Cash Flow Statement

	Unaudited Mar. 2007 TTS'000	Unaudited Mar. 2006 TTS'000 (Re-stated)	Audited Dec. 2006 TTS'000
Loss before taxation	(191,518)	(425,038)	(158,461)
Adjustments for non-cash items	54,975	153,684	(515,154)
Interest and dividends received	209,281	99,895	725,570
Operating profit / (loss)	72,738	(171,459)	51,955
before working capital changes	(441,613)	513,460	(859,793)
Net (purchases) / sales of financial assets	486,516	(207,100)	765,749
Net movement in other operating assets and liabilities	117,641	134,901	(42,089)
Cash generated from / (used in) operations	(47,470)	(39,839)	(150,945)
Interest paid	(7,632)	2,407	(45,491)
Taxation (paid) / received	62,539	97,469	(238,525)
Net cash generated from / (used in) operating activities	(8,580)	(372,053)	(138,448)
Net cash used in investing activities	143,916	241,959	665,862
Net cash provided by financing activities	197,875	(32,625)	288,889
Net increase / (decrease) in cash and cash equivalents			

These financial statements have been prepared in accordance with International Financial Reporting Standards. Comparative information has been adjusted in accordance with International Accounting Standard #8.