

March 20, 2008

Mr. Wain Iton  
General Manager/C.E.O.  
Trinidad and Tobago Stock Exchange  
10th Floor, Nicholas Tower  
63-65 Independence Square  
**PORT OF SPAIN**

Ms. Marlene Street  
The Jamaican Stock Exchange  
40 Harbour Street  
Kingston  
**JAMAICA**

**VIA FAX & HAND**

Dear Sir and Madam

We refer to the provisions of our Listing Agreement/Rules and advise that at our Board Meeting held on 19<sup>th</sup> March, 2008, after consideration of the audited results for the financial year ended 31<sup>st</sup> December 2007, the following decisions were taken: -

- (1) For the year ending 31<sup>st</sup> December 2007, the Directors have decided to pay a Final Dividend of twenty-five (25) cents per share. Together with the Interim Dividend of five (5) cents per share paid last year, this amounts to a total dividend of thirty (30) cents per share. This final dividend will be payable to shareholders on the Register of Members as at 10<sup>th</sup> April 2008 which is the Record Date set for this purpose.
- (2) The Annual Meeting will be held on Monday 12<sup>th</sup> May, 2008 at our Registered Office at 1 Guardian Drive, Westmoorings at 4.30 p.m.
- (3) A Record Date of 03<sup>rd</sup> April, 2008 has been set for the purpose of determining those persons entitled to Notice of the Annual Meeting.
- (4) The Transfer Books and the Register of Members will therefore be closed on the respective Record Dates of 03<sup>rd</sup> April, 2008 and 10<sup>th</sup> April, 2008.
- (5) It is proposed that the dividend cheques will be mailed out on the 18<sup>th</sup> April, 2008.

We enclose herewith a copy of the Financial Highlights of the Group Consolidated Accounts and copy of the Notice to Shareholders advising of the Record Date for Notice of Meeting and Payment of Dividend which will be published in the Trinidad Guardian, Express and Newsday tomorrow. The Financial Highlights will also be published on the 23<sup>rd</sup> March 2008.

We expect that the audited accounts will be available shortly thereafter whereupon a copy will be forwarded to you.

Please be guided accordingly.

Sincerely  
**GUARDIAN HOLDINGS LIMITED**



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Fé Lopez-Collymore  
Corporate Secretary/  
General Counsel

FLC/ah

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c.c. Mr. Charles de Silva  
Trinidad & Tobago Securities & Exchange Commission  
57-59 Dundonald Street  
Port of Spain



## Chairman's Statement

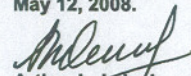
I am pleased to report significantly improved results for your Group in respect of the year ended 31 December 2007. Consolidated operating profit before investment mark to market adjustments was \$413 million compared with \$97 million in the previous year. This recovery was achieved across the Group with all divisions returning profits well ahead of those achieved in 2006. Our investments in associated companies also performed excellently with attributable profits 300% above last year's level.

Net premium income generated by our long-term and short-term insurance businesses increased by 2% and 18% respectively above 2006. Third party funds under management of our asset management division grew by 27% over the 2006 closing position.

The turnaround in our Group's performance has been achieved, in large measure, by sustained focus on operational efficiency and the implementation of streamlined business processes. In early 2007 we concluded the costly restructuring of our wholly owned UK subsidiaries, Link and Zenith. I believe that the benefits of these actions will be experienced in 2008 at an enhanced level, and I am optimistic of opportunities in the near future for rebalancing the investment portfolios of our life insurance subsidiaries, to remove volatility and enhance their competitive positions.

Unfortunately the sluggish performance of regional equity markets led to another year of net negative fair value adjustments amounting to \$128 million. The effect of this was to produce before and after tax profits of \$215 million (2006 \$134 million loss) and \$130.4 million (2006 \$216 million loss) respectively.

Your Directors are pleased to announce a final dividend of 25 cents per share, bringing the total dividend for 2007 to 30 cents per share (2006 15 cents per share). Your directors have fixed April 10, 2008 as the Record Date for determination of shareholders entitled to payment of this dividend. The register of members will be closed from April 10 to April 11, 2008, both days inclusive. Dividend cheques will be mailed out on April 18, 2008. The Annual Meeting of the company will take place on May 12, 2008.

  
Arthur Lek Jack  
Chairman

## Consolidated Profit And Loss Statement

	Audited 12-Months Dec 2007 TT\$'000	Audited 12-Months Dec 2006 TT\$'000 (Re-stated)	Unaudited 3-Months Dec 2007 TT\$'000	Unaudited 3-Months Dec 2006 TT\$'000
Insurance premium revenue	5,530,478	5,022,030	1,822,448	1,755,977
Insurance premium ceded to reinsurers	(881,962)	(924,011)	(306,683)	(184,498)
Net insurance premium revenue	4,648,516	4,098,019	1,515,765	1,571,479
Investment income	818,450	714,260	237,125	213,068
Fee & commission income	198,262	66,373	105,305	3,230
Other revenue	325,197	273,096	124,427	149,715
Total revenue	5,990,425	5,151,748	1,982,622	1,937,492
Net insurance benefits and claims	(3,503,156)	(2,944,598)	(1,050,643)	(1,025,019)
Expenses	(2,074,136)	(2,109,922)	(778,770)	(773,696)
Operating profit				
before fair value (losses) / gains	413,133	97,228	153,209	138,777
Fair value (losses) / gains	(128,395)	(103,599)	54,575	482,416
Operating profit / (loss)	284,738	(6,371)	207,784	621,193
Share of profit of associated companies	98,371	24,088	77,675	9,473
Finance charges	(168,134)	(151,767)	(55,997)	(47,055)
Profit / (loss) before taxation	214,975	(134,050)	229,462	583,611
Taxation	(84,521)	(82,158)	(18,716)	(23,633)
Profit / (loss) after taxation	130,454	(216,208)	210,746	559,978
Amount attributable to				
participating policyholders	141	1,351	(10,974)	(69,300)
Profit / (loss) for the year	130,595	(214,857)	199,772	490,678
Attributable to:				
Equity holders of the company	122,900	(216,134)	193,786	491,352
Minority interest	7,695	1,277	5,986	(674)
	130,595	(214,857)	199,772	490,678
Earnings/(loss) Per Stock Unit - Basic	0.61	(1.07)		
Earnings/(loss) Per Stock Unit - Diluted	0.59	(1.05)		

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.

## Consolidated Balance Sheet

	Audited Dec 2007 TT\$'000	Audited Dec 2006 TT\$'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	902,186	731,418
Investment properties	648,038	590,335
Intangible assets	1,104,505	1,088,546
Investment in associated companies	359,958	272,731
Financial assets	8,814,134	7,843,909
Loans and receivables	731,398	721,702
Pension plan assets	119,109	111,075
Value to shareholders of in force long-term business	624,849	583,155
Deferred tax asset	67,997	51,043
Reinsurance assets	745,766	832,351
Segregated funds' assets	326,346	280,373
	14,444,286	13,106,638
Current assets	8,604,623	7,264,271
Total assets	23,048,909	20,370,909
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Shareholders' Equity		
Share capital	1,520,952	1,512,453
Reserves	(69,828)	(77,381)
Retained earnings	2,243,875	2,134,205
	3,694,999	3,569,277
Minority interest	60,625	9,820
	3,755,624	3,579,097
Non-current liabilities		
Insurance contracts	10,165,059	9,114,005
Financial liabilities	3,030,619	2,643,118
Segregated funds' liabilities	443,960	406,184
Post retirement benefit obligations	57,815	65,478
Deferred consideration	-	184,249
Deferred tax liability	243,160	232,250
	13,940,613	12,645,284
Current liabilities	5,352,672	4,146,528
Total liabilities	19,293,285	16,791,812
Total equity and liabilities	23,048,909	20,370,909

## Consolidated Statement Of Changes In Equity

	Audited Dec 2007 TT\$'000	Audited Dec 2006 TT\$'000
Balance at the beginning of the year	3,579,097	3,750,175
Prior period adjustments	-	(9,108)
Balance at the beginning of the year (re-stated)	3,579,097	3,741,067
Surplus on revaluation of properties	32,111	38,612
Purchase of minority interest	-	(6,562)
Translation adjustments	(25,040)	118,516
Other reserve movements	(6,787)	3,975
Net income recognised directly in equity	284	154,541
Profit/(loss) for the year	130,595	(214,857)
Total recognised income / (expense)	130,879	(60,316)
Issue of shares	43,648	-
Share option scheme - value of services provided	12,882	10,107
Dividends	(10,882)	(111,761)
Balance at the end of the year	3,755,624	3,579,097

## Consolidated Cash Flow Statement

	Audited Dec 2007 TT\$'000	Audited Dec 2006 TT\$'000
Profit/(loss) before taxation	214,975	(134,050)
Adjustments for non-cash items	(709,075)	(590,538)
Interest and dividends received	798,577	781,556
Operating profit before working capital changes	304,477	56,968
Net increase in insurance liabilities	1,262,400	1,674,504
Net purchases of financial assets	(1,784,416)	(862,115)
Net movement in other operating assets and liabilities	146,410	(666,635)
Cash (used in) / provided by operating activities	(71,129)	202,722
Interest paid	(164,694)	(150,945)
Net taxation paid	(53,937)	(53,868)
Net cash used in operating activities	(289,760)	(2,091)
Net cash used in investing activities	(180,414)	(238,305)
Net cash provided by financing activities	946,014	665,862
Net increase in cash and cash equivalents	475,840	425,466





## **NOTICE TO SHAREHOLDERS**

### **RECORD DATE FOR ISSUE OF NOTICE OF ANNUAL MEETING**

The Directors have fixed Monday, May 12, 2008 as the date of the Annual Meeting for 2008 which will be held at 4.30 in the afternoon at the Guardian Corporate Centre, 1 Guardian Drive, Westmoorings. Formal notice of meeting will be sent to shareholders on the Register of Members as at April 3, 2008 which has been fixed as the Record Date for the issue of this Notice of Meeting.

### **RECORD DATE AND PAYMENT OF DIVIDEND**

Based upon the Financial Results for the year ended December 31, 2007 the Directors have decided to pay a Final Dividend of 25 cents per share to shareholders on the Register of Members as at April 10, 2008 which has been fixed as the Record Date for this payment. Cheques for this dividend will be mailed out on the April 18, 2008.

### **CLOSING OF REGISTER**

The Register of Members will therefore be closed on the April 3, 2008 and from April 10, 2008 to April 11, 2008.

**By Order of the Board**

**Fe Lopez-Collymore**  
**Corporate Secretary**  
**March 19, 2008**

**Listed on the Trinidad and Tobago and Jamaica Stock Exchanges**  
**[www.guardianholdings.com](http://www.guardianholdings.com)**