

August 12, 2008

Mr. Wainwright Iton
General Manager/ CEO
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 Sirs,

**RE: GUARDIAN HOLDINGS LIMITED ("GHL") – PAYMENT OF INTERIM AND
SPECIAL DIVIDEND 2008**


We refer to the provisions of our Listing Agreement/Rules and advise that at our Board Meeting held on August 06, 2008, after consideration of the unaudited financial results for the half year ended June 30, 2008, the following decisions were taken: -

- (1) For the year ending June 30, 2008, the Directors have decided to pay an Interim Dividend of Fifteen Cents (15¢) and a Special Dividend of Twenty Five Cents (25¢) per share to the Members on the Register as at August 22, 2008.
- (2) The Transfer Books and the Register of Members will therefore close on August 22, 2008.
- (3) It is proposed that the Dividend cheques will be mailed out on August 28, 2008.

We therefore enclose a copy of our half year results and a copy of our Notice to Shareholders advising of the Record Date for Payment of Dividend. Kindly note that both advertisements have been published in the local press today and will be published again on August 14, 2008.

Please be guided accordingly.

Sincerely
GUARDIAN HOLDINGS LIMITED



Fé Lopez-Collymore
Corporate Secretary and General Counsel

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c.c. Mr. Osbourne Nurse- CEO and Chairman
Trinidad & Tobago Securities & Exchange Commission
57-59 Dundonald Street
Port of Spain

Chairman's Statement

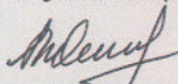
In the first half of the year 2008, the Group accelerated the ongoing momentum for sustained growth, development and profitability producing after tax profits of \$568 million dollars.

This excellent outcome was made possible by the strong operational performance of all our business units and by the disposal of our strategic investment in Grupo Mundial in Panama and our entire shareholding in RBTT Financial. The result would have been even more significant were it not impaired by unrealized net fair value losses of \$133 million incurred primarily as a result of the subsequent decline in the value of the Royal Bank of Canada shares we received in partial consideration for our RBTT Financial shares. The RBC stock price is now close to the share exchange value and at the appropriate time it is our intention to dispose of our entire RBC shareholding.

The acquisition by Royal Bank of Canada of RBTT Financial was concluded on June 15, 2008. The conclusion of this transaction, together with the Grupo Mundial sale, has enabled us to recoup fair value losses recorded over past quarters and have provided us with the opportunity to rebalance our investment portfolios and apply the proceeds, in large measure, to retiring costly debt.

Based upon the results for the half year, your Directors have approved an interim dividend of 15 cents per stock unit. In addition, we deem it appropriate to pay a special dividend of 25 cents per stock unit as a result of the benefits derived from the disposal of our investments in Grupo Mundial and RBTT Financial. The Directors have fixed August 22, 2008 as the Record Date for determination of shareholders entitled to payment of these dividends. The Register of Members will therefore be closed on August 22, 2008 to facilitate this payment and cheques will be mailed out on August 28, 2008.

Looking ahead, the core business of our Group is in excellent shape, our business units are functioning well and our resolve is stronger than it has ever been, to ensure the growth, development and expansion of the Group.



Arthur Lok Jack
Chairman

Consolidated Income Statement

	Unaudited 6-Months June 2008 TTS'000	Unaudited 6-Months June 2007 TTS'000 (Restated)	Audited 12-Months Dec 2007 TTS'000	Unaudited 3-Months June 2008 TTS'000	Unaudited 3-Months June 2007 TTS'000 (Restated)
Insurance premium revenue	2,723,528	2,561,183	5,530,478	1,466,108	1,310,605
Insurance premium ceded to reinsurers	(409,305)	(375,220)	(881,962)	(206,659)	(149,324)
Net insurance premium revenue	2,314,223	2,185,963	4,648,516	1,259,449	1,161,281
Investment income	670,062	397,511	818,450	457,465	220,681
Realised and unrealised gains from Grupo Mundial	349,426	-	-	349,426	-
Fee & commission income	58,997	61,865	198,262	20,689	31,131
Other revenue	141,235	116,376	325,197	85,965	38,220
Total revenue	3,533,943	2,761,715	5,990,425	2,172,994	1,461,313
Net insurance benefits and claims	(1,659,673)	(1,641,780)	(3,503,156)	(848,561)	(836,045)
Expenses	(1,068,917)	(950,488)	(2,074,136)	(641,487)	(519,336)
Operating profit before fair value (losses) / gains	805,353	169,447	413,133	682,946	95,932
Fair value (losses) / gains	(132,953)	(249,786)	(128,395)	(117,231)	1,352
Operating profit / (loss)	672,400	(80,339)	284,738	565,715	97,284
Share of profit / (loss) of associated companies	9,860	18,894	98,371	(4,940)	11,428
Finance charges	(76,156)	(75,743)	(168,134)	(37,769)	(40,560)
Profit / (loss) before taxation	606,104	(137,188)	214,975	523,006	68,152
Taxation	(38,040)	(47,116)	(84,521)	(7,712)	(26,762)
Profit / (loss) after taxation	568,064	(184,304)	130,454	515,294	41,390
Amount attributable to participating policyholders	(31,449)	16,787	141	(29,296)	(3,757)
Profit / (loss) for the year	536,615	(167,517)	130,595	485,996	37,633
Attributable to:					
Equity holders of the company	534,229	(168,863)	122,900	484,360	36,783
Minority interest	2,386	1,346	7,695	1,636	850
	536,615	(167,517)	130,595	485,996	37,633
Earnings/(loss) Per Stock Unit - Basic	\$2.65	(\$0.84)	\$0.61		
Earnings/(loss) Per Stock Unit - Diluted	\$2.56	(\$0.81)	\$0.59		

Conversion Rate: US\$1.00:TT\$6.1963

Consolidated Balance Sheet

	Unaudited June 2008 TTS'000	Unaudited June 2007 TTS'000 (Restated)	Audited Dec 2007 TTS'000 (Restated)
ASSETS			
Property, plant and equipment	896,490	759,500	902,186
Investment properties	616,246	621,250	648,038
Intangible assets	1,102,085	1,106,517	1,104,505
Investment in associated companies	140,034	279,500	359,958
Financial assets	11,325,457	10,472,313	11,469,400
Loans and receivables	1,073,128	1,063,978	1,055,781
Pension plan assets	128,205	110,408	119,109
Value to shareholders of inforce long-term business	645,696	610,549	624,849
Deferred tax asset	66,605	49,528	67,997
Reinsurance assets	1,208,779	1,009,845	983,227
Segregated funds' assets	448,947	405,228	449,616
Deferred acquisition costs	691,539	619,052	662,828
Cash and cash equivalents	3,827,454	2,823,401	3,010,635
Other assets	1,644,207	1,660,432	1,471,661
Total assets	23,814,872	21,391,501	22,929,790
EQUITY			
Capital and reserves			
Share capital	1,535,623	1,519,900	1,520,952
Reserves	(137,760)	(53,246)	(69,828)
Retained earnings	2,568,885	1,839,526	2,124,756
	3,966,748	3,306,180	3,575,880
Minority interest	113,855	10,610	60,625
Total equity	4,080,603	3,316,790	3,636,505
LIABILITIES			
Insurance contracts	12,842,233	11,654,459	12,042,077
Financial liabilities	5,075,540	4,448,923	5,101,675
Segregated funds' liabilities	448,947	405,228	449,616
Post retirement medical benefit obligations	57,539	66,856	57,815
Deferred consideration	-	-	188,157
Deferred tax liability	223,976	236,409	243,160
Provision for taxation	89,611	128,346	130,206
Other liabilities	996,423	945,768	1,080,579
Total liabilities	19,734,269	18,074,711	19,293,285
Total equity and liabilities	23,814,872	21,391,501	22,929,790

Consolidated Statement Of Changes In Equity

	Unaudited June 2008 TTS'000	Unaudited June 2007 TTS'000 (Restated)	Audited Dec 2007 TTS'000 (Restated)
Balance at the beginning of the year - restated	3,636,505	3,459,978	3,459,978
Surplus on revaluation of properties	3,114	-	32,111
Translation adjustments	(65,622)	21,794	(25,040)
Disposal of associated company	(39,924)	-	-
Other reserve movements	(1,935)	(4,122)	(6,787)
Net (expense) / income recognised directly in equity	(104,367)	17,672	284
Profit / (loss) for the year	536,615	(167,517)	130,595
Total recognised income / (expense)	432,248	(149,845)	130,879
Issue of shares - minority interest	48,317	-	43,648
Share option scheme - issue of shares	7,081	-	-
Share option scheme - value of services provided	7,590	7,447	12,882
Dividends	(51,138)	(790)	(10,882)
Balance at the end of the period	4,080,603	3,316,790	3,636,505

Consolidated Cash Flow Statement

	Unaudited June 2008 TTS'000	Unaudited June 2007 TTS'000 (Restated)	Audited Dec 2007 TTS'000
Profit / (loss) before taxation	606,104	(137,188)	214,975
Adjustments for non-cash items	(862,885)	(139,715)	(709,075)
Interest and dividends received	449,870	339,601	798,577
Operating profit before working capital changes	193,089	62,698	304,477
Net increase in insurance liabilities	800,156	874,782	1,262,400
Net proceeds from sales/ (purchases of) financial assets	395,487	(831,046)	(1,784,867)
Net movement in other operating assets and liabilities	(499,745)	(181,377)	147,811
Cash provided by / (used in) operating activities	888,987	(74,943)	(70,179)
Interest paid	(88,423)	(76,850)	(164,694)
Net taxation paid	(63,293)	(14,767)	(53,937)
Net cash provided by / (used in) operating activities	737,271	(166,560)	(288,810)
Net cash provided by / (used in) investing activities	198,842	(15,166)	(181,364)
Net cash (used in) / provided by financing activities	(107,097)	246,927	946,014
Net increase in cash and cash equivalents	829,016	65,201	475,840

Note: These interim consolidated financial statements comply with International Accounting Standard 34, Interim Financial Reporting and follow the accounting policies used in the Group's most recent audited financial statements for the year ended 31 December 2007. Comparative information has been adjusted in accordance with International Accounting Standard 8.



NOTICE TO SHAREHOLDERS

PAYMENT OF INTERIM AND SPECIAL DIVIDEND AND RECORD DATE

Based upon the Financial Results for the half year ended June 30, 2008 the Directors have decided to pay an Interim Dividend of 15 cents per share and a special dividend of 25 cents per share to shareholders on the Register of Members as at August 22, 2008.

In accordance with Section 110 of the Companies Act 1995 the Directors have therefore fixed August 22, 2008 as the Record Date for payment of these Interim and Special Dividends.

CLOSING OF REGISTER

To facilitate payment of the above dividends, the Register of Members will be closed on August 22, 2008.

MAILING OF DIVIDEND CHEQUES

Cheques for these dividends will be mailed out to shareholders on August 28, 2008.

By Order of the Board

**Fé Lopez-Collymore
Corporate Secretary**

6th August, 2008