

May 15, 2009

Jamaica Stock Exchange
40 Harbour Street
Kingston
JAMAICA, WEST INDIES

Attention: **Mrs. Marlene Street - Forrest**

Dear Sirs

**RE: GUARDIAN HOLDINGS LIMITED RESULTS
PERIOD ENDING MARCH 31ST, 2009**

Enclosed please find two copies of the above mentioned results.

Please note that these results will be published in the local press on Friday 15th May, 2009.

No. Copies Enclosed: 2

Submitted by: **GUARDIAN HOLDINGS LIMITED**



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Karen Kelshall Lee
Manager, Registrar & Corporate Administration

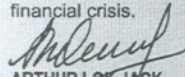
Chairman's Statement

The first quarter of 2009 saw the world's economies continue to suffer, with every major industrialized and emerging market being in recession. The Great Global Recession, as some pundits have begun calling the current financial crisis, has negatively affected every company. Despite the best efforts of your Board of Directors and executive management, Guardian Holdings has not escaped the wrath of this crisis. Consistent with the performance reported on in 2008, during the first quarter our businesses performed very well, but were overshadowed by fair value losses. Operating profit before fair value movements increased to \$155.6 million for the quarter, representing an impressive 27% increase, or \$33.2 million over the 2008 corresponding quarter. However, the depressed investment climate continued to weigh down the Group's investment portfolio. The Group sustained fair value losses of \$97.8 million and, as a consequence, recorded a net profit of \$16.4 million for the first quarter of 2009. This represents a decline of \$34.2 million compared with the same quarter in 2008.

The fair value losses, which are accounting or non-cash losses, primarily came from our Trinidad and Tobago and Jamaican operations, and primarily (61%) came from the Group's holdings in high quality corporate bonds and Government securities. The Group has the ability to hold these securities until maturity and fully expects to receive full principal value. As credit markets recover, it is expected that these fair value losses will reverse themselves and bolster our bottom line.

As we continue to manoeuvre the Group through the current environment, there are many positives to be reported. One, we have positioned the mix of our investment portfolio in a conservative fashion heavily weighted towards Government securities, high quality corporate debt, and short-term deposits. Our equity component is down below 10%. Two, while movements in the yield curve have led to significant fair value losses, investment income or real cash income, has increased, consistent with the change in our investment portfolio towards more fixed income securities. Three, individual life products tend to sell well even during difficult economic periods. We have seen this tendency play out in our life business, where revenue growth continues to be robust. Four, and most importantly, our core businesses and the Guardian franchise continue to be strong and attractive. We have seen business flow to Guardian as part of the general flight to quality one sees during uncertain times. We expect this trend to continue.

The directors will continue to guide the Group prudently during this challenging period and I have no doubt that our Group will be one of the winners coming out of this world financial crisis.



ARTHUR LOK JACK
CHAIRMAN

Consolidated Statement of Financial Position

	Unaudited Mar 2009 TTS'000	Audited Dec 2008 TTS'000	Unaudited Mar 2008 TTS'000 (Restated)
ASSETS			
Property, plant and equipment	946,495	941,602	904,071
Investment properties	625,068	614,258	656,553
Intangible assets	640,190	646,676	1,120,566
Investment in associated companies	139,316	145,159	375,783
Financial assets	10,942,377	10,971,008	11,928,230
Loans and receivables	1,025,735	1,114,292	1,137,784
Pension plan assets	81,216	80,573	125,606
Value to shareholders of inforce long-term business	648,080	665,573	654,562
Deferred tax asset	44,770	68,360	67,417
Reinsurance assets	999,596	1,048,414	1,031,060
Segregated funds' assets	355,360	386,585	480,837
Deferred acquisition costs	539,417	535,737	619,511
Taxation recoverable	115,040	128,117	138,362
Cash and cash equivalents	2,851,664	3,151,269	3,037,745
Other assets	1,700,806	1,435,948	1,350,333
Total assets	21,655,130	21,933,571	23,628,420
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	1,542,614	1,539,271	1,523,260
Reserves	(676,198)	(570,783)	(9,414)
Retained earnings	2,124,761	2,193,188	2,113,274
	2,991,177	3,161,676	3,627,120
Non-controlling interests	99,009	101,659	61,025
Total equity	3,090,186	3,263,335	3,688,145
LIABILITIES			
Insurance contracts	12,201,529	12,152,363	12,404,193
Financial liabilities	4,833,691	4,978,739	5,478,072
Segregated funds' liabilities	355,360	386,585	480,837
Post retirement medical benefit obligations	71,743	71,673	58,069
Deferred consideration	-	-	189,357
Deferred tax liability	218,185	216,842	244,276
Provision for taxation	66,300	76,436	149,743
Other liabilities	818,136	787,598	935,728
Total liabilities	18,564,944	18,670,236	19,940,275
Total equity and liabilities	21,655,130	21,933,571	23,628,420

Consolidated Income Statement

	Unaudited 3-Months Mar 2009 TTS'000	Unaudited 3-Months Mar 2008 TTS'000	Audited 12-Months Dec 2008 TTS'000
Insurance premium income	1,330,292	1,257,420	5,682,087
Insurance premium ceded to reinsurers	(199,715)	(202,646)	(867,453)
Net insurance premium income	1,130,577	1,054,774	4,814,634
Investment income	231,937	212,597	914,250
Gain on sale of Grupo Mundial Tenedora S.A.	-	-	308,419
Fee & commission income	51,521	38,308	157,837
Other operating income	50,676	55,270	590,520
Total revenue	1,464,711	1,360,949	6,785,660
Net insurance benefits and claims	(827,625)	(811,112)	(3,559,008)
Expenses	(481,498)	(427,430)	(2,189,820)
Operating profit before fair value losses	155,588	122,407	1,036,832
Fair value losses	(97,771)	(15,722)	(428,154)
Operating profit	57,817	106,685	608,678
Impairment of goodwill	-	-	(256,568)
Share of profit of associated companies	1,176	14,800	26,086
Finance charges	(25,873)	(38,387)	(145,011)
Profit before taxation	33,120	83,098	233,185
Taxation	(16,606)	(30,328)	(24,846)
Profit after taxation	16,514	52,770	208,339
Amount attributable to participating policyholders	(104)	(2,151)	(4,019)
Profit for the year	16,410	50,619	204,320
Profit attributable to:			
Owners of the parent	15,482	49,869	201,359
Non-controlling interests	928	750	2,961
	16,410	50,619	204,320
Earnings Per Stock Unit - Basic	\$0.08	\$0.25	\$1.00
Earnings Per Stock Unit - Diluted	\$0.07	\$0.24	\$0.96

Conversion Rate: US\$1.00: TTS\$6.2929

Consolidated Statement of Comprehensive Income

	Unaudited 3-Months Mar 2009 TTS'000	Unaudited 3-Months Mar 2008 TTS'000	Unaudited 12-Months Dec 2008 TTS'000
Profit for the year	16,410	50,619	204,320
Other comprehensive (loss) / income:			
Exchange differences on translating foreign operations	(106,431)	56,668	(515,013)
Gains on property revaluation	-	-	20,818
Other reserve movements	(10,098)	100	(13,455)
Other comprehensive (loss) / income for the period, net of tax	(116,529)	56,768	(507,650)
Total comprehensive (loss) / income for the period	(100,119)	107,387	(303,330)
Total comprehensive (loss) / income attributable to:			
- Owners of the parent	(97,469)	102,995	(305,164)
- Non-controlling interests	(2,650)	4,392	1,834
	(100,119)	107,387	(303,330)

Consolidated Statement Of Changes In Equity

	Unaudited Mar 2009 TTS'000	Audited Dec 2008 TTS'000	Unaudited Mar 2008 TTS'000 (Restated)
Balance at the beginning of the year	3,263,335	3,628,077	3,628,077
Total comprehensive (loss) / income for the period	(100,119)	(303,330)	107,387
Issue of shares - minority interest	-	43,889	-
Share option scheme - issue of shares	-	12,413	-
Share option scheme - value of services provided	3,343	14,276	3,106
Repurchase of shares	(1,529)	-	-
Dividends	(74,844)	(131,990)	(50,425)
Balance at the end of the period	3,090,186	3,263,335	3,688,145

First Quarter Results to March 31, 2009

Consolidated Cash Flow Statement

	Unaudited Mar 2009 TT\$'000	Audited Dec 2008 TT\$'000	Unaudited Mar 2008 TT\$'000 (Restated)
Profit before taxation	33,120	233,185	83,098
Adjustment for specific items included on the accruals basis:			
- Interest expense	25,873	145,011	38,387
- Investment income	(231,937)	(914,250)	(212,597)
Adjustments for non-cash items	102,303	162,135	25,721
Interest and dividends received	205,650	740,130	174,094
Operating profit before changes in operating assets / liabilities	135,009	366,211	108,703
Net increase in insurance liabilities	49,166	183,241	435,071
Net proceeds from sales / (purchases) of financial assets	(437,292)	(549,831)	(227,723)
Net movement in other operating assets and liabilities	4,737	(145,710)	(720,392)
Cash used in operating activities	(248,380)	(146,089)	(404,341)
Interest paid	(3,682)	(148,353)	(23,217)
Net taxation received / (paid)	1,692	(66,088)	(4,818)
Net cash used in operating activities	(250,370)	(360,530)	(432,376)
Net cash (used in) / provided by investing activities	(34,886)	560,135	(34,473)
Net cash provided by / (used in) financing activities	33,436	(26,242)	104,333
Net increase in cash and cash equivalents	(251,820)	173,363	(362,516)

Notes:

- a) 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 2008. Comparative information has been adjusted in accordance with International Accounting Standard 8.
- b) From this financial year the International Financial Reporting Standards require the Group to present (i) a new statement and (ii) an additional disclosure in its quarterly publication. The new statement, in compliance with IAS 1 - Presentation of Financial Statements, is the Statement of Comprehensive Income which incorporates all non-owner changes in equity such as currency translation adjustments, surpluses on revaluation of properties, etc. These changes were previously presented separately in the Statement of Changes in Equity. The additional disclosure is on Segment Information in accordance with IFRS 8 - Operating Segments.

Segment Information

	Long-term Insurance Business TT\$'000	Short-term Insurance Business TT\$'000	Asset Management TT\$'000	Other TT\$'000	Total Group TT\$'000
Three months ended 31 March 2009					
Total segment revenue	602,755	878,316	24,244	55,210	1,560,525
Inter-segment revenue	(14,867)	(42,395)	(3,606)	(34,946)	(95,814)
Revenue from external customers	587,888	835,921	20,638	20,264	1,464,711
Operating profit / (loss) before fair value losses	91,716	61,107	11,127	(8,362)	155,588
Fair value losses	(70,110)	(5,564)	(20,942)	(1,155)	(97,771)
Operating profit / (loss)	21,606	55,543	(9,815)	(9,517)	57,817
Three months ended 31 March 2008					
Total segment revenue	555,776	804,841	19,963	90,702	1,471,282
Inter-segment revenue	(22,319)	(2,761)	(4,063)	(81,190)	(110,333)
Revenue from external customers	533,457	802,080	15,900	9,512	1,360,949
Operating profit / (loss) before fair value losses	56,232	80,136	5,197	(19,158)	122,407
Fair value losses	(4,504)	(18,571)	(5,526)	12,879	(15,722)
Operating profit / (loss)	51,728	61,565	(329)	(6,279)	106,685
Total assets					
31 March 2009	11,526,969	7,358,511	1,597,862	1,171,788	21,655,130
31 December 2008	11,678,791	7,274,518	1,736,308	1,243,954	21,933,571
31 March 2008	11,881,316	7,889,178	1,795,563	2,062,363	23,628,420