

May 21, 2010

Mr. Wainwright 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 - Forrest
The Jamaican Stock Exchange
40 Harbour Street
Kingston
JAMAICA

VIA FAX, HAND, EMAIL & COURIER

Dear Sir and Madam

RE: GUARDIAN HOLDINGS LIMITED ANNOUNCEMENT - Guardian Holdings Limited and the International Finance Corporation (World Bank) Strengthen their Partnership

We refer to the above captioned matter and enclose herewith a copy of an announcement dated May 20, 2010 which was published in the local press today.

Please be guided accordingly.

Yours sincerely
GUARDIAN HOLDINGS LIMITED



Karen Kelshall Lee
Manager – Registrar & Corporate Administration

Encl

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

Ms. Wendy Ho Sing
The Central Bank of Trinidad & Tobago
Eric Williams Plaza
Independence Square
P.O. Box 1250
Port of Spain



Strength. Endurance. Leadership.

Guardian Holdings Limited and the International Finance Corporation (a member of the World Bank) Strengthen their Partnership

Guardian Holdings Limited (GHL) and the International Finance Corporation (IFC), a member of the World Bank Group, today reached an agreement to invest \$US75 million (\$TT473 million) in the common equity of the Group at a price of \$TT16 per share. The investment in GHL will strengthen its capital base and will support the company's strategic regional expansion. The price per share at which the IFC is investing represents a 6.6% premium over yesterday's closing price for the company as quoted on the Trinidad and Tobago Stock Exchange, and a 17% premium over GHL's 30 day moving average price of \$TT13.65.

The agreement includes converting IFC's current \$US50 million (\$TT315 million) subordinated loan into common equity while at the same time investing \$US25 million (\$TT158 million) of new capital into GHL. The transaction will significantly improve GHL's debt to equity ratio. Post completion of this transaction, IFC will own approximately 13% of the outstanding share capital of the Group.

Giri Jadeja, Senior Manager for IFC Financial Markets, said, "We are very pleased to strengthen our existing partnership with Guardian through this equity investment and look forward to working closely with the company as they grow their current businesses and look for potential growth opportunities in the Caribbean and Central America. Guardian's strong track record, diversified business lines and wide reach in the Caribbean provide the IFC with an excellent platform to deepen insurance penetration and achieve strong development impact in the Caribbean and beyond."

Jeffrey Mack, Group Chief Executive of Guardian Holdings, said, "IFC's investment is a vote of confidence in GHL, especially when one considers that the IFC is transforming their current secured debt position into an unsecured equity position. Plus, at the same time, they are investing new equity into our Group. This demonstrates their belief in not only how we currently operate, but also in our future plans for strategic growth. They will be a key partner for us as we grow and diversify our operations in the region."

The agreement is subject to the approval of the shareholders of GHL as well the Board of Directors of the IFC. GHL will advise its shareholders in due course of the next steps regarding this transaction.

A handwritten signature in dark ink, appearing to read 'J. Mack', is positioned above the printed name and title.

Jeffrey Mack
GHL Group Chief Executive Officer

May 20, 2010