

Guardian Holdings Limited

Chairman's Statement

I am pleased to report that your Group's profit available for distribution to shareholder for the quarter of 2001 amounted to \$44.9 million, an increase of 73% compared- to the corresponding quarter in the previous year. These very satisfactory results demonstrate the efficacy of the Group strategic plan for expansion both by acquisition and alliances.

Share of profits of Associated Companies, notably RBTT Financial Holdings Limited, which became an associated company in July 2000, increased significantly. Our Insurance sub-group continues to perform satisfactorily reflecting an increase in profits after tax before minority interest of \$8.3 million compared with the corresponding quarter last year.

As reported in our Annual Report for 2000, the shareholders equity has been reduced due to an accounting adjustment which impacted reserves and retained earnings consequent upon the change to the equity accounting method for the Group's investment, in RBTT Financial Holdings, Limited as described above. The cahnge in status of this investment to that of an associated company also gave rise to increases in goodwill, medium term debt and the recording of minority interest in the financial statments.

The Directors remain confident about the Group's prospects and take his opportunity to thank our shareholders for their continued support and loyalty.

CONSOLIDATED

BALANCE SHEET

CONSOLIDATED PROFIT AND LOSS STATEMENT

Unaudited			Unaudited			Unaudited		
Mar.2000			Mar.2001			Mar.2001		
TT\$'000			TT\$'000			TT\$'000		
Unaudited	Audited		Unaudited	Unaudited	Audited			
Mar.2000	Mar.2000		Mar.2001	Mar.2000	Mar.2000			TT\$'000
TT\$'000	TT\$'000		TT\$'000	TT\$'000	TT\$'000			
121,901	32,944	123,818						
Revenue			<u>216,396</u>	<u>192,382</u>	<u>919,852</u>			Fixed Assets
577,597	280,945	555,549						Investment In Associated Companies
Operating Profit			27,282	26,698	149,589			Investments
3,203,826	2,616,931	3,046,751						Pension Plan Assets
Share of Profits of Associated Companies			<u>50,038</u>	<u>7,704</u>	<u>90,909</u>			Value to Shareholders of Long-term
82,490	65,297	81,490						Insurance Business in force
Finance Charges			77,320	34,402	240,498			
294,142	267,441	282,887	7,475	4,099	35,500			
Amortisation of Goodwill			<u>4,235</u>	<u>751</u>	<u>14,769</u>			Goodwill
658,023	95,342	663,410						
Profit Before Taxation			65,610	29,552	190,229			
4,937,979	3,358,900	4,753,905						
Taxation			<u>11,264</u>	<u>3,646</u>	<u>37,438</u>			Current Assets
956,724	879,147	992,588						
Profit after Taxation			54,346	25,906	152,791			Total Assets
5,894,703	4,238,047	5,746,493						
Transfer to Reserves. - Associated Companies			<u>1,566</u>	<u>-</u>	<u>986</u>			Shareholders' Equity
Net Profit			52,780	25,906	151,805			
37,768	36,422	37,768						Share Capital
Minority interest			<u>7,914</u>	<u>-</u>	<u>13,865</u>			
207,195	506,905	208,373						Reserves
Profit Attributable to Shareholders			44,866	25,906	137,940			
424,648	441,255	379,773						Retained Earnings
Dividends			<u>-</u>	<u>-</u>	<u>47,738</u>			
669,611	984,582	625,914						

Profit Retained			<u>44,866</u>	<u>25,906</u>	<u>90,202</u>
655,122	-	642,705			
342,533	151,385	310,421			
Earnings Per Share - Basic			0.36	0.21	1.10
17,641	-	17,625			
Earnings Per Share - Diluted			0.36	0.21	1.09
<u>3,278,508</u>	<u>2,699,751</u>	<u>3,179,087</u>			
3,638,682	2,851,136	3,507,133			
<u>931,290</u>	<u>372,929</u>	<u>970,743</u>			
<u>4,569,972</u>	<u>3,224,065</u>	<u>4,477,876</u>			
<u>5,894,703</u>	<u>4,238,047</u>	<u>5,746,493</u>			

Minority Interests
Medium Term Debt
Deffered Tax
Insurance Funds

Current Liabilities
Total Liabilities

CONSOLIDATED CASH FLOW STATEMENT.
IN EQUITY

Unaudited	Unaudited	Audited	
Unaudited	Audited		
Mar. 2000	Dec. 2000		
TT\$'000	TT\$'000		
Profit Before Taxation			
Share of Profits of Associated Companies			
625,912	688,669	688,669	
Dividends from Associated Companies			
-	1,344		
Adjustments for Non-cash Items			
9,108	(3,012)	(26,715)	
(10,341)	106,422	(141,826)	

Unaudited	Unaudited	Audited
Mar.2001	Mar.2000	Mar.2000
TT\$'000	TT\$'000	TT\$'000
65,610	29,522	190,229
(50,038)	(7,704)	(90,909)
-	-	25,129
<u>38,894</u>	<u>38,894</u>	<u>175,650</u>

CONSOLIDATED STATEMENT OF CHANGES

	Unaudited
	Mar. 2000
	TT\$'000
Balance at the start of the period	
Translation Adjustments	-
Investment Valuation Reserve Movement	

Operating Cash Flow Before Working				Effed of Adopting IAS 12, 39 & 40	-
(2,610) (2,610)					
Capital Changes	54,466	56,647	299,999	Other Reserve Movements	
64 169,207 15,848					
Net Worlking Capital Changes	(9,987)	187,771	381,110	Profits Attributable to Shareholder	
44,866 25,906 137,940					
Taxation Paid	<u>(5,803)</u>	<u>(1,653)</u>	<u>(7,406)</u>	Dividends	-
- (47,738)					
Cash Flow from Operating Activities	38,676	242,765	673,703	Balance at the End of the Period	
<u>669,609</u> <u>984,582</u> <u>625,912</u>					
Investing Activities	<u>(64,822)</u>	<u>(179,684)</u>	<u>(726,954)</u>		
Financing Activities	20,243	3,834	162,866		
(Decrease)/Increase In Short-term Funds	<u>(5,903)</u>	<u>66,915</u>	<u>129,615</u>		
