



## SAGICOR FINANCIAL CORPORATION STATEMENT ON THE REGULATORY ACTIONS TAKEN BY THE CENTRAL BANK OF TRINIDAD & TOBAGO

On Friday 30 January 2009, the Ministry of Finance and the Central Bank of Trinidad & Tobago announced a series of regulatory actions with respect to the CL Financial Group which are intended to secure depositors' and policyholders' obligations, provide liquidity to the Group and ensure the proper functioning and integrity of the Trinidad & Tobago financial systems. Sagicor believes that the proper functioning of the financial systems, not only in Trinidad & Tobago, but throughout the Caribbean, is vital to the future growth and development of the region. We are committed to this objective and accordingly support the Ministry of Finance and the Central Bank in its efforts to address the current situation.

As a financial group, Sagicor has always adopted conservative and prudent investment policies and has, as far as possible, matched its assets and liabilities. In addition, we have also adopted prudent and conservative international accounting policies which seek to minimize the impact of market volatility on our financial performance. We believe that this approach has served us well over the years.

Sagicor has always adhered to strong capital standards and has consistently maintained capital ratios (MCCSR) in excess of 250% of required capital. While there are no stated capital standards for the region, with the exception of Jamaica, international capital standards require an MCCSR of at least 150%. Sagicor's MCCSR ratio of 250% far exceeds the international regulatory requirements and reflects the financial strength of the Group. Sagicor Life Inc, our main Caribbean insurance operating subsidiary, is rated "A" (Excellent) by A. M. Best rating agency, a rating that continues with a stable outlook. Our

other Caribbean life insurance subsidiary, Sagicor Life Jamaica, is rated "A" (Excellent) while our US life insurance company, Sagicor Life Insurance Company is rated "A-" (Excellent) by A. M. Best. In addition, Sagicor Life Inc is rated BBB+ by Standard & Poor's for its strong capital position and consistent performance. The Sagicor Group believes in "wise financial thinking for life" and continues to maintain a strong capital base.

Sagicor supports strong corporate governance and has implemented a robust governance architecture which reflects the international nature of the Group. We are listed on the London Stock Exchange, we are regulated by local, regional and international regulators and are rated by two international rating agencies. All of these testify to our quality and serve to reinforce the strength of our operations and the quality of our governance. We believe that good governance, together with prudent operating policies, is essential to the sound and consistent performance of our Group. At the end of the third quarter ended September 30<sup>th</sup> 2008, the Sagicor Group had total assets of US \$3.9 billion, capital of US \$437 million and year-to-date profits of US \$74 million.

We support the efforts to maintain the soundness and integrity of our regional financial systems and are committed to assisting in any way that we can.

Sagicor is committed to serving our customers and policyholders, through the provision of quality products and services which reflect our underlying philosophy of "wise financial thinking for life". We are committed to the development of our advisors and employees, and to serving the communities in which we operate.