

## NOTICE

### SAGICOR FINANCIAL CORPORATION

#### US FINANCIAL CRISIS

Sagicor would like to make the following statement to clarify its position with respect to exposure to the current international financial crisis.

**Sagicor has no significant exposure to the financial crisis and we do not expect to incur any material losses as result of the crisis.**

The crisis now sweeping the US and international financial markets is perhaps the worst financial crisis of all times, worse than the great depression of the 1930's. Many observers have suggested that it is potentially the worst financial crisis in history. Few financial institutions operating in the international capital markets will escape these events unscathed. Highly rated (AA+) institutions, such as Bear Stearns, Lehman Brothers and Washington Mutual, have all gone by the wayside; and international giant AIG has requested financial support in order to restructure its operations with the hope of surviving. This is the depth of the current financial crisis.

Sagicor's exposure to these financially distressed companies is limited and any potential loss will be immaterial to the performance of the Group and insignificant in relation to our investment portfolio and total assets. Sagicor has already accounted for a loss of US\$2.4million. We estimate the potential for a further loss of US\$3.3million. **This represents 0.20% of Sagicor's investment portfolio and 0.14% of our total assets.** The impact on the Sagicor Group will therefore be negligible.



Wise Financial Thinking for Life

**We further clarify that neither our Segregated Funds nor our Mutual funds have any exposure to the financial crisis and the value of these funds will in no way be impacted by those events.**

**Sagicor is a well capitalized, diversified financial institution with operations in 22 countries.**

Group President and Chief Executive Officer

