



PRESS RELEASE

FAMGUARD REPORTS RECORD SIX MONTH RESULTS



Norbert Boissiere
Chairman

Norbert Boissiere, Chairman of FamGuard Corporation, recently announced the Company's results for the first six months of 2007. He reported that net income of \$4.95 million is the strongest mid-year result in its history, more than doubling the net income recorded mid-year 2006. Earnings per share increased by 29 cents to 50 cents over the period.

Strong growth in premium income from the Financial Services division of its insurance subsidiary, Family Guardian, coupled with continued capital appreciation in its equities portfolio, improved yield on other investment assets, and the sustained improvements in overall claims experience are the primary contributing factors to FamGuard's strong performance.

The results reflect a continuation of the growth in profitability of the Company over the past four years. Between year-end 2003 and year-end 2006 net income for the Company increased by 400% from \$1.2 million to \$5.9 million.

Since its expansion through acquisitions in 2001 and 2002, the Company has moved to streamline and consolidate its operations across all business lines and has improved efficiencies through upgrades in technology, enhancements to internal processes, and training. In addition, Family Guardian has more than doubled its agency force in the Financial Services division and has further expanded its Home Service sales operations in New Providence and Grand Bahama, and now has offices in Abaco and Eleuthera, with an additional office scheduled to be opened in Exuma later this year.

Since its launch in 2000, the Company's Group Life & Health division, incorporating BahamaHealth, continues to grow at a fast pace. Over the past four years, premium income from this area of the Company's operations has doubled reflecting wide market acceptance of this product. Later this year, this division will expand its product line to offer creditor life insurance to financial institutions.

The Company's expansion in recent years has made it necessary to relocate its staff to larger premises and in this respect recently acquired a four-storey building on the corner of East Bay & Church Streets, at the foot of the new Paradise Island Bridge, to house its growing operations. The Company will relocate its Financial Services, BahamaHealth and client services operations to this location during the fourth quarter of 2007.

While FamGuard's principal revenue has been derived from its life and health insurance subsidiary, Family Guardian, the Company intends to round out its insurance operations this year through the expansion of FG General Insurance Agency. This company will be expanded to offer homeowner and motor insurance on a wider scale than in the past.

Further, subject to regulatory approval, during the fourth quarter of 2007 FamGuard will launch two new subsidiary companies, FG Financial and FG Capital Markets, in order to offer a broader range of pension and investment products and services to the public. By offering these products FamGuard will further enhance its capacity to facilitate financial planning for its client base.

FamGuard's Chairman further stated, "We are very pleased with the steady and consistent growth and development of our company. Since the establishment of Family Guardian in 1965 we have been committed to providing the highest quality of products and service to the Bahamian public. It is our intention to continue in that tradition with the launch of our investment products and advisory services in the coming months. We look forward with great anticipation to the progression of FamGuard as it continues to grow in size and scope."