



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

FOR IMMEDIATE RELEASE

CONTACTS: Analysts

Joseph McGowan
(908) 439-2200, ext. 5255
joseph.mcgowan@ambest.com

Raj Shah
(908) 439-2200, ext. 5409
raj.shah@ambest.com

Public Relations

Jim Peavy
(908) 439-2200, ext. 5644
james.peavy@ambest.com

Rachelle Morrow
(908) 439-2200, ext. 5378
rachelle.morrow@ambest.com

A.M. Best Revises Outlook to Negative for Sagicor Financial Corporation and Its Subsidiaries

OLDWICK, NEW JERSEY, U.S.A., May 4, 2009—A.M. Best Co. has revised the outlook to negative from stable and affirmed the financial strength rating (FSR) of A (Excellent) and issuer credit ratings (ICR) of “a” of **Sagicor Life Inc.** (St. Michael, Barbados) and its two operating life insurance subsidiaries, **Sagicor Capital Life Insurance Company Limited** (Nassau, Bahamas) and **Sagicor Life Jamaica Limited** (Kingston, Jamaica).

A.M. Best also has revised the outlook to negative from stable and affirmed the FSRs of A- (Excellent) and ICRs of “a-” of **Sagicor General Insurance Inc.** (Bridgetown, Barbados), **Sagicor General Insurance (Cayman) Ltd** (Cayman Islands) and **Sagicor Life Insurance Company** (Sagicor Life USA) (Austin, TX).

Concurrently, A.M. Best has revised the outlook to negative from stable and affirmed the ICR of “bbb” and debt rating of “bbb+” on USD 150 million, 7.5 % senior unsecured notes, due 2016 of the ultimate parent, **Sagicor Financial Corporation** (Sagicor Financial) (Barbados), which is publicly traded on the Barbados, Trinidad, Jamaica and London stock exchanges.

The negative outlook reflects Sagicor Financial’s significant revenue, asset and earnings exposure to a weak Jamaican economy. This concentration risk in Jamaica is highlighted by the low growth in gross domestic product (GDP) over the past decade, high inflation rates and a depreciating Jamaican dollar—all factors that could negatively impact future operating results for

—MORE—



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

—2—

the group. Additionally, the negative outlook reflects the continuing drag on the consolidated equity of Sagicor Financial from statutory losses at Sagicor Life USA, due primarily to new business strain as the company executes its long-term growth strategy in the U.S. life insurance market, as well as investment losses. The ratings also recognize the acquisition strategy employed within the organization and challenges that may occur with integration. Moreover, growth in the Caribbean and U.S. life insurance markets in which Sagicor Financial operates is of concern.

The ratings continue to acknowledge Sagicor Financial's positive consolidated earnings performance, strong name recognition in the Caribbean Islands, favorable risk-adjusted capitalization and the operating subsidiaries' access to additional capital sources from Sagicor Financial.

For Best's Ratings, an overview of the rating process and rating methodologies, please visit www.ambest.com/ratings.

The principal methodologies used in determining these ratings, including any additional methodologies and factors that may have been considered, can be found at www.ambest.com/ratings/methodology.

Founded in 1899, A.M. Best Company is a global full-service credit rating organization dedicated to serving the financial and health care service industries, including insurance companies, banks, hospitals and health care system providers. For more information, visit www.ambest.com.

####