

WATERLOO INVESTMENT HOLDINGS LIMITED ANNOUNCES RESULTS FOR THE YEAR ENDED MARCH 31, 2012

Tortola, British Virgin Islands, September 29, 2012 – Waterloo Investment Holdings Limited

Background

Waterloo Investment Holdings Limited is an investment holding company incorporated in the British Virgin Islands ("WIHL" or the "Company"). WIHL owns the British Caribbean Bank Limited, a financial services business in the Turks and Caicos Islands and, through various subsidiaries, substantial other investment interests in the Turks and Caicos Islands, principally through secured loans. The Company also holds an approximate 25 percent interest in a successful and market-leading edible oil processing and distribution operation in Latin America and a 50 percent share in a company which operates an international open shipping and company registry business in Belize. The Company also has an investment in the form of secured loans to the largest port in Belize.

Financial Information

WIHL was demerged from BCB Holdings Limited on October 26, 2011.

The financial information included herein has been prepared as if WIHL had been in existence as at March 31, 2011 and for the entire period April 1, 2010 to March 31, 2012. This is in compliance with accounting standards which require this presentation due to the existence of the same controlling shareholder in both WIHL and BCB Holdings Limited at the date of the demerger.

For the year ended March 31, 2012, the Company reported a net loss of \$44.7m (2011 net income - \$11.1m) and net loss per ordinary share for the twelve months of \$0.45 (2011 net income – \$0.11) primarily due to non-cash provisioning without which WIHL would have shown a profit. The Company is focused on creating value from its portfolio of assets and believes at current valuations WIHL can take a long-term perspective.

At March 31, 2012 total assets were \$503.8m (March 31, 2011 - \$567.5m) and net assets were \$256.5m (March 31, 2011 - \$295.7m).

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This preliminary announcement is available at the Company's web site:
<http://www.wihl.com>.

Waterloo Investment Holdings Limited

Financial Information

Summarized Consolidated Statements of Income (unaudited)

US dollars in millions except per share data

	12 months ended March 31, 2012	12 months ended March 31, 2011
Financial Services		
Interest income	9.2	19.3
Interest expense	(6.3)	(6.9)
Net interest income	3.9	12.4
Provision for loan losses	(26.7)	(2.9)
Net non-interest expense	(3.7)	(6.6)
Operating (loss) income - Financial Services	(26.5)	2.9
Investment		
(Loss) income before provisions - Investments	(0.5)	8.7
Provision for loan losses - Investments	(26.4)	(10.6)
Total operating (loss) income	(53.4)	1.0
Associates	25.3	25.1
Corporate expenses	(3.0)	(2.6)
Corporate interest expense	(13.6)	(12.4)
Net (loss) income	(44.7)	11.1
(Loss) earnings per share: basic and diluted		
Net (loss) earnings	\$(0.45)	\$0.11
Number of shares - (basic and diluted)	100.0m	100.0m

Waterloo Investment Holdings Limited
 Financial Information
 Summarized Consolidated Balance Sheets (unaudited)
 US dollars in millions

	March 31 2012 \$m	March 31 2011 \$m
Assets		
Financial Services		
Cash, cash equivalents and due from banks	0.1	0.1
Interest-bearing deposits with correspondent banks	25.4	17.3
Receivable from Government of Belize	30.0	27.7
Loans – net	144.3	206.6
Property, plant and equipment – net	0.2	0.2
Other assets	<u>0.6</u>	<u>1.1</u>
Total Financial Services assets	<u>200.6</u>	<u>253.0</u>
Investment assets		
Loans – net	143.6	167.6
Other assets	<u>7.8</u>	<u>9.4</u>
Total Investments assets	<u>151.4</u>	<u>177.0</u>
Corporate		
Associates	147.8	132.0
Cash and cash equivalents	1.5	3.0
Property, plant and equipment – net	<u>2.5</u>	<u>2.5</u>
Total Corporate assets	<u>151.8</u>	<u>137.5</u>
Total assets	<u>503.8</u>	<u>567.5</u>
Liabilities and shareholders' equity		
Financial Services		
Deposits	95.5	131.8
Interest payable	1.7	2.9
Other liabilities	<u>2.4</u>	<u>4.2</u>
Total Financial Services liabilities	<u>99.6</u>	<u>138.9</u>
Corporate		
Other current liabilities	1.2	--
Long-term debt	<u>146.5</u>	<u>132.9</u>
Total liabilities	<u>247.3</u>	<u>271.8</u>
Shareholders' equity		
Share capital	100.0	100.0
Retained earnings	<u>156.5</u>	<u>195.7</u>
Total shareholders' equity	<u>256.5</u>	<u>295.7</u>
 Total liabilities and shareholders' equity	 <u>503.8</u>	 <u>567.5</u>

Waterloo Investment Holdings Limited
Financial Information
Summarized Consolidated Statements of Cash Flows (unaudited)
US dollars in millions

Year ended March 31	2012 \$m	2011 \$m
Cash flow from operating activities		
Net (loss) income	(44.7)	11.1
Adjustments to reconcile net (loss) income to net cash (utilized) provided by operating activities:		
Depreciation	0.1	0.1
Provision for loan losses	53.1	13.5
Undistributed earnings of associates	(15.8)	(17.3)
Changes in assets and liabilities – net	<u>(1.5)</u>	<u>15.8</u>
Net cash (utilized) provided by operating activities	(8.8)	23.2
Cash flows from investing activities		
Purchase of property plant and equipment (net of disposals)	(0.1)	(0.1)
Increase in interest-bearing deposits	(8.1)	(5.1)
Increase in Government of Belize receivable	(2.3)	(1.9)
Decrease in loans to customers	<u>35.0</u>	<u>5.9</u>
Net cash provided (utilized) by investing activities	24.5	(1.2)
Cash flows from financing activities		
Decrease in deposits	(36.3)	(31.5)
Demerger movement	5.5	--
Increase in long-term debt	<u>13.6</u>	<u>12.4</u>
Net cash (utilized) by financing activities	(17.2)	(19.1)
Net change in cash, cash equivalents and due from banks	(1.5)	2.9
Cash, cash equivalents and due from banks at beginning of year	3.1	0.2
Cash, cash equivalents and due from banks at end of year	1.6	3.1

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