

MORTGAGE FINANCE COMPANY OF SAINT LUCIA LIMITED

BOARD OF DIRECTORS

5.

Board of Directors – Same as for Bank of Saint Lucia Limited

The Mortgage Finance Company of Saint Lucia Limited recorded a gross mortgage loan portfolio of \$222 million at December 2007, an increase of 8% over the previous year. During the year the Company sold mortgages valued at \$10 million to the Eastern Caribbean Home Mortgage Bank to assist with funding of future growth in the mortgage portfolio. With the continued focus on credit risk, the non-performing loans declined by 17% and constitute 8.7% of the mortgage portfolio moving from 11% in 2006. Total assets moved from \$198 million to \$215 million increasing by 8.6%. Net profit was recorded at \$4.9 million increasing by 36% from the previous year.

The Complete for Life product which combines other financial products from Bank of Saint Lucia Limited; including a retirement investment plan and life insurance coverage; continues to be well received by customers and has sustained the Company's competitiveness in the housing market. In 2008, the Company will be introduced to the market under its new brand in alignment with its parent company ECFH and other subsidiaries of the Group. It is anticipated that the new brand will create awareness of the Company which has predominantly operated through an agency arrangement with Bank of Saint Lucia Limited. The Mortgage Finance

Company Limited will also be introducing new products to the market including longer term savings products at cocompetitive interest rates to provide customers with alternative avenues for savings. It is anticipated that the Company will be reconized in the market as another member of the ECFH family in close association with Bank of Saint Lucia Limited.

Mortgage Finance Company of Saint Lucia Limited
Financial Statement Highlights at December 31, 2007

	2007 EC \$000	2006 EC \$000
Assets		
Loans & Advances	214,455	198,069
Other	612	4
Total Assets	215,067	198,073
Liabilities and Equity		
Customer deposits	12,099	349
Borrowings	182,185	181,824
Other liabilities	2,705	341
Equity	18,078	15,559
Total Assets/Liabilities & Shareholder's Equity	215,067	198,073
Statement of Income		
Net interest income	7,747	6,379
Other income	159	90
Total Expenses	2,947	2,840
Net income after tax	4,959	3,629