



## **JAGUAR FINANCIAL REPORTS SECOND QUARTER OF FISCAL 2008 RESULTS**

TORONTO, CANADA – August 6, 2008 – Jaguar Financial Inc. (“Jaguar” or the “Company”) today reported results for its second quarter ended June 30, 2008 of its 2008 fiscal year.

The economy and capital markets environment remained challenging in the quarter. Credit markets continued to deteriorate, disrupting global stock markets. Fears of a recession and continued difficult liquidity conditions have resulted in equity market volatility and lack of investor confidence.

These conditions have produced difficult circumstances for specialized merchant banks, such as Jaguar, to operate in. These factors are even more intensified for the small and micro capitalization firms that the Company invests in. Due to the difficult market conditions, the Company reported a net loss of \$3,480,783 for the quarter ended June 30, 2008, of which \$1,985,264 represented unrealized investment losses, compared to net income of \$779,803 a year ago.

For the three months ended June 30, 2008 the Company experienced a net loss on investments of \$2,490,986, comprised of realized losses of \$505,722, and unrealized losses of \$1,985,264. This compares to a net gain on investments of \$1,217,936 in the second quarter of 2007. The unrealized loss on investments in Q2 of 2008 was due to a decline in the market value of the Company’s investments as at June 30, 2008. The Company’s investment portfolio is recorded on a mark to market basis and will experience, at various times, unrealized gains or losses based on equity market conditions.

Interest income for the three months was negative \$3,488, a decrease compared to interest revenue of \$53,091 in the prior year. The decrease is due to Jaguar’s shift in investment focus as a merchant bank, moving funds away from short-term deposits to equity investments.

The Company recorded an equity loss of \$14,327 from its investment in Added Capital Corporation. There is no comparative for the prior year.

Total expenses increased from \$491,224 in Q2 of 2007 to \$971,982 in Q2 of 2008. The increase in expenses is primarily related to increased transaction costs, advisory and financing fees, salaries and consulting fees, legal fees, and other costs relating to the Company’s merchant banking activities.

For the six months ended June 30, 2008, the Company reported a net loss of \$4,553,251, of which \$2,265,448 represented unrealized investment losses, compared to net income of \$62,891 in 2007. The Company experienced a net loss on investments of \$2,506,169, comprised of realized losses of \$249,471, unrealized losses of \$2,265,448 and dividends of \$8,750. This compares to a net gain on investments of \$577,229 in 2007. The Company's investment portfolio is recorded on a mark to market basis and will experience, at various times, unrealized gains or losses based on equity market conditions.

Interest revenue for the six months was \$64,491, a decrease compared to interest revenue of \$242,631 in the prior year. The decrease is due to Jaguar's shift in investment focus as a merchant bank, moving funds away from short-term deposits to equity investments.

The Company recorded an equity loss of \$37,390 from its investment in Added Capital Corporation. There is no comparative for the prior year.

Total expenses for the six months ended June 30, 2008, were \$2,074,183 compared to \$756,969 in the prior year. The increase in expenses is primarily related to increased advisory and financing fees, transaction costs, salaries, and legal and audit fees.

Vic Alboini, Chairman and Chief Executive Officer of Jaguar stated: "While these financial results in 2008 to date are challenging compared with the results achieved in the two successful transactions we realized in 2007, there are opportunities to realize good value for our investments in Royal Laser Corp. and Added Capital Corp. in the balance of 2008 or 2009."

## **About Jaguar**

Jaguar is a Canadian merchant bank that invests in undervalued small capitalization companies in a variety of industry sectors.

Effective July 2, 2008, the business of Jaguar is carried on by Jaguar Financial Corporation. The securities of Jaguar Financial Corporation are listed on the TSX under the symbol "JFC".

*The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this news release. This news release may contain certain forward looking statements which involve known and unknown risks, delays, and uncertainties not under Jaguar's control which may cause actual results, performances or achievements of Jaguar to be materially different from those implied by such forward looking statements.*

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