



PRESS RELEASE

STARTS

BF&M Reports Shareholder's Net Earnings for the Year Ended 31st December 2019 of \$11.9 million

Hamilton, Bermuda, 6 April 2020—BF&M Limited (“BF&M”, “the BF&M Group” or “the Company”) today reported solid shareholders’ net income for the year ended 31st December, 2019, of \$11.9 million, despite impact from hurricanes. Shareholders’ net income for the comparative twelve-month period of 2018 was \$20.2 million.

Group Chairman and CEO John Wight stated: “Our 2019 results are particularly pleasing given the challenges faced by our industry over the past twelve months. Not only did we weather two major storms affecting Bermuda and the Caribbean region, but we navigated through significant legislative and regulatory upheaval impacting our industry.”

Mr. Wight continued: “Throughout, we delivered on our promise of being there for our customers when they needed us most, both with our strong capital base and by sharing information through these changing times.”

Equity attributable to shareholders at 31st December, 2019, was \$280.9 million. General fund assets totaled \$1.7 billion of which \$143.3 million was held in cash and cash equivalents.

Gross premiums written for the period increased from the prior year by 12% to \$331.7 million, driven by growth in property premiums in the Caribbean and higher Annuity premium.

Investment income for the year reflected a \$53.6 million increase in the fair value of investments, driven largely by gains in the market value of the company’s fixed income investments.

Short term claims and adjustment expenses increased 37% to \$18.5 million of which \$7.2 million is from 2019 storm claims. Life and health policy benefits increased by 57% to \$128.5 million. “Life and health policy benefits” includes changes in life reserves, which increased in 2019 compared to 2018 in the same period due to differences in market interest rates.

Operating expenses increased 9% to \$48.6 million for the period.

BF&M Limited

BF&M offers property and casualty products as well as health, life, annuities, pension products, investment advisory and financial planning services. The Group consists of four main insurance operating companies, with the following A.M. Best financial strength ratings:

| | | |
|---|----------------|----------|
| BF&M General Insurance Company Limited | A (Excellent) | Bermuda |
| BF&M Life Insurance Company Limited | A (Excellent) | Bermuda |
| Island Heritage Insurance Company Ltd. | A (Excellent) | Cayman |
| Insurance Corporation of Barbados Limited | A- (Excellent) | Barbados |

ENDS

BACKGROUND

BF&M Limited is the holding company of the BF&M group of companies ("BF&M Group"). The two largest operating companies within the BF&M Group are BF&M Life Insurance Company Limited, a leading provider of life, health and pensions products, and BF&M General Insurance Company Limited, the leading general insurer providing all forms of property, casualty, motor and marine products. The BF&M Group includes several other companies including BF&M Investment Services Limited, BF&M Properties Limited, (including Scarborough Property Holdings Limited and Barr's Bay Properties Limited), Hamilton Financial Limited, Island Heritage Insurance Company Ltd, and a 51.24% interest in the Insurance Corporation of Barbados Limited.

For further information contact:-

R. John Wight, FCPA, FCA, CPCU, Group Chairman and Chief Executive Officer
Phone 295 5566, Fax 292 8831, e-mail jwight@bfm.bm

BF&M Limited

P.O.BOX HM 1007 • HAMILTON HM DX • BERMUDA • TELEPHONE: 441 295 5566 • FACSIMILE: 441 292 8831