



PRESS RELEASE

STARTS

BF&M reports 2019 half year earnings of \$11.4 million

Hamilton, Bermuda, 9 September 2019— BF&M Limited (“BF&M”, “the BF&M Group” or “the Company”) today reported shareholders’ net income for the six months ended 30th June 2019 of \$11.4 million. Shareholders’ net income for the comparative six month period of 2018 was \$6.7 million.

Group Chairman and CEO John Wight stated: “For the first half of 2019, BF&M reported strong earnings by both our Property & Casualty operations and our Life & Health business. Strong investment results also contributed to our performance for the six-month period.”

Equity attributable to shareholders at 30th June 2019 was \$284.7 million. General fund assets totaled \$1.3 billion of which \$143.4 million was held in cash and cash equivalents.

Gross premiums written for the period were \$198.8 million, driven by growth in home insurance business in the Caribbean and higher Group Health and Annuity premium. With increased premiums written, the Company also benefitted from increased commissions on business ceded to the reinsurance market. Commission and other income increased from the prior year by 11% to \$25.6 million.

Investment income for the period reflected a strong first half with a \$26.0 million increase in the fair value of investments in the period.

Short term claims and adjustment expenses decreased 6% to \$12.3 million from favourable loss experience in 2019 than reported for the same period in 2018. Life and health policy benefits increased by 111% to \$80.8 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 5% to \$32.5 million for the period.

Mr. Wight added further: “At this time, our thoughts are with all those affected by the devastation from Hurricane Dorian. We stand ready to do our part in beginning the process of rebuilding, not just

BF&M Limited

through our donation in support of the work of the Red Cross, but by promptly assessing and processing claims as these start to come in.”

It is too early to provide an estimate of the loss the Group has suffered from Hurricane Dorian, however we expect that the loss will be contained within the Company’s reinsurance programme.

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.

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