



PRESS RELEASE

STARTS

BF&M reports nine month earnings of \$18.4 million

Hamilton, Bermuda, 7 December 2020—BF&M Limited (“BF&M”, “the BF&M Group” or “the Company”) today reported shareholders’ net income for the nine months ended 30th September, 2020, of \$18.4 million. Shareholders’ net income for the comparative nine-month period of 2019 was \$12.6 million.

Group Chairman and CEO John Wight stated: “BF&M reported strong operating results for the period, with favourable claims experience being a key driver of our performance. This was partially offset by higher reinsurance rates associated with the ongoing impact of hurricane losses, and lower gross premiums written across the Group resulting from Covid-19.”

He added: “This is a uniquely complex time to talk about financial results. We won’t see the full consequences of Covid-19 reflected in our financial results until well into 2021. For example, in the health insurance business, fewer people sought elective or diagnostic care this year, but we are expecting an increase in claims in 2021 once the Covid-19 crisis subsides. In addition, there are uncertainties about the ability of many businesses and individuals to continue to pay premiums in 2021, after having relied on the support obtained from Government relief programs and other relief measures in 2020. As a leading insurer in Bermuda and the Caribbean, we are well positioned to meet the requirements of our policyholders and shareholders.”

Equity attributable to shareholders at 30th September, 2020, was \$294.9 million. General fund assets totaled \$1.2 billion of which \$136.3 million was held in cash and cash equivalents.

Gross premiums written for the period decreased from the prior year by 5% to \$232.7 million, driven by an expected shift of health premiums between the Company and the amounts allocated to the Bermuda government as part of Bermuda’s health financing reforms, along with lower property and casualty premiums and life premiums stemming from COVID-19 impact.

Short term claims and adjustment expenses decreased 50% to \$7.9 million. Life and health policy benefits decreased by 29% to \$76 million.

Operating expenses increased 6% to \$38.0 million for the period in comparison to same period prior year, driven by higher bad debt expenses stemming from COVID-19 impact.

BF&M Limited

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

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 three main insurance operating companies, with the following A.M. Best financial strength ratings, recently affirmed in October 2020:

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

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, and Island Heritage Insurance Company, Ltd.

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