



PRESS RELEASE

Hamilton, Bermuda
20th November 2008

STARTS

BF&M Limited's Nine Month Results to 30th September 2008

BF&M Limited today announced net earnings for the nine month period to 30th September 2008 of \$15,357,770, resulting in a return on shareholders equity of 16%. Earnings for the comparative nine month period in 2007 were \$21,639,009. John Wight, President & CEO of BF&M stated that "the company's financial results were adversely affected by the depressed investment markets. In our 2007 Annual Report we announced that new accounting rules adopted in 2007 recognizing fair value changes of investments in earnings would increase the volatility of reported earnings. The decrease in fair value of investments for the nine month period ended 30th September 2008 was \$14,872,842. This compared to a decrease of \$492,842 for the same period in 2007. We were however very pleased with the results from our core insurance and non insurance operations as we experienced very good financial performance. Group contributions from general insurance, health and life insurance, real estate, asset management, pension administration, and BF&M's interest in the operations of the Insurance Corporation of Barbados Limited were strong."

Total assets for the consolidated group at 30th September 2008 were \$682,703,659. Shareholders Equity was \$152,055,215. Gross Premiums Written for the nine month period increased 4% over 2007 to \$159,890,373. Investment income decreased 2% to \$12,649,894. Commissions and other income increased 2% to \$17,904,368. Claims and adjustment expenses increased by 4% to \$15,160,658 and policy benefits decreased 12% to \$51,403,062. Operating expenses increased 10% to \$27,795,062.

BF&M Limited recently had it's A (Excellent) rating by AM Best reaffirmed. This rating also applied to BF&M Life Insurance Company Limited and BF&M General Insurance Company Limited.

ENDS

BACKGROUND

BF&M Limited is the holding company of the BF&M Insurance Group. The two largest operating companies within the Group are BF&M Life Insurance Company

BF&M LIMITED

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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 group includes several other companies including Bermuda International Insurance Company Limited, Bermuda International Reinsurance Services Limited, Marchmont Insurance Company Limited, North Atlantic Asset Management Limited, BF&M Properties Limited, (including Scarborough Property Holdings Limited and Barr's Bay Properties Limited), Hamilton Financial Limited, and a 51.7% interest in the Insurance Corporation of Barbados Limited.

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