



PRESS RELEASE

Hamilton, Bermuda
19th November 2009

STARTS

BF&M Announces Earnings of \$16,373,408 for 9 month period ended 30th September 2009

BF&M Limited today announced net earnings for the nine month period ended 30th September 2009 of \$16,373,408, a 7% increase over the comparative period in 2008 of \$15,357,770. These earnings represented a 12% return on shareholders equity. John Wight, President & CEO of BF&M stated that “we were pleased with our financial results which were positively impacted by overseas investment markets which rebounded in the third quarter. Improved investment returns combined with good overall underwriting performance from our core insurance businesses produced these strong nine month figures. Our forecast at this time for year end earnings is positive now that we are past the hurricane season and investment markets appear to be stabilizing following signs of recovery in global economies”.

Mr. Wight added that “BF&M Limited’s two principal operating subsidiaries “BF&M General” and “BF&M Life” were recently rated A (Excellent) by A.M. Best. These financial strength ratings are the strongest of any insurer in the Bermuda domestic insurance market and reflect the strong performance and capitalization of these companies”.

Total assets at 30th September 2009 were \$728,317,358. Shareholders equity was \$167,707,893. Gross premiums written increased 7% for the nine month period in 2009 over the same period in 2008 to \$171,852,995. Investment income increased 2% to \$12,866,883. The fair value of investments increased \$1,370,752 for the nine month period thus far in 2009. All of the company’s investments that are rated are of investment grade. The Company has no direct exposure to sub prime mortgages. Commissions and other income decreased 6% to \$16,773,039 as the assets under management on investments that the company advises on and administers decreased due to declining investment balances as compared to the corresponding period in 2008.

Claims and claim adjustment expenses decreased 4% over 2008 to \$14,481,821. Policy benefits increased 47%. Policy benefits include health claims for medical treatment received by policyholders locally and overseas. Overseas claims have been higher than expected due to the frequency and severity of treatment.

The Board of Directors declared a dividend of 20c per share for shareholders of record 31st December 2009, payable 15th January 2010.

BF&M LIMITED

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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 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), BF&M (Canada) Limited, Hamilton Financial Limited, and a 51.7% interest in the Insurance Corporation of Barbados Limited.

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