



PRESS RELEASE

Hamilton, Bermuda
May 22, 2008

STARTS

BF&M Limited's 3 Month Results to 31st March 2008

BF&M Limited today announced net earnings for the three month period to 31st March 2008 of \$7,876,371, resulting in a return on shareholders equity of 21%. Earnings for the comparative three month period in 2007 were \$6,307,158. John Wight, President & CEO of BF&M stated that "we were very pleased with the result. Earnings from domestic insurance business in Bermuda remained strong as did earnings from BF&M's 51.7% owned subsidiary, the Insurance Corporation of Barbados Limited."

Total assets for the consolidated group at 31st March 2008 were \$665,349,781. Shareholders Equity was \$146,823,297. Gross Premiums Written for the three month period increased 9% over 2007 to \$48,574,830. Investment income increased 37% to \$6,850,850 as declining interest rates increased the value of the company's bond portfolio. Claims, policy benefits and claim expenses increased 15% to \$24,403,675. Operating expenses increased 9% to \$8,699,850.

Mr. Wight added that "we are cautiously optimistic about the results for the next quarter as well although volatility in the investment markets and new accounting rules for how investments are accounted make forecasting future profits more difficult". Mr. Wight added that "the company's current sustainable earnings prompted the directors to approve an increase in the company's quarterly cash dividend from 16c to 20c for shareholders of record 31st March 2008. This followed a 1 for 10 stock dividend issued to shareholders of record 28th February 2008."

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

BF&M LIMITED

INSURANCE BUILDING • PO Box HM 1007 • HAMILTON HM DX • BERMUDA • TELEPHONE: 441-295-5566 • FACSIMILE: 441-292-8831

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

For further information contact :-

R. John Wight C.A., President & Chief Executive Officer

Phone 295 5566, Fax 292 8831, e-mail jwight@bfm.bm

BF&M LIMITED

INSURANCE BUILDING • PO Box HM 1007 • HAMILTON HM DX • BERMUDA • TELEPHONE: 441-295-5566 • FACSIMILE: 441-292-8831