

June 23, 2014

Bermuda Commercial Bank Limited

Financial Results for the six month period ended March 31, 2014

For Immediate Release - (Hamilton, Bermuda) Bermuda Commercial Bank Limited ("BCB" or the "Bank"), a Bermuda financial services company, is pleased to announce its results for the six month period ended March 31, 2014.

Company Highlights:

- Consolidated net income of \$7.9 million (2013: \$5.1 million)
- Assets totaled \$582.9 million (2013: \$591.7 million)
- Capital has now increased to \$123.7 million (2013: \$109.5 million)
- Regulatory capital remains strong at 20.47%. The leverage ratio at 4:1 is better than the industry average of 12:1
- Tier 1 ratio of 21.81%

Commenting on the financial results, J. Michael Collier, Chairman of BCB stated:

"The Bank continues to maintain its commitment to a strong balance sheet and capital base. In addition, the Bank's experienced staff and its ability to provide superior customer service to corporate and private wealth clients, finds the Bank well positioned for future growth.

I would like to take this opportunity to extend a special thank you to all of our staff, shareholders and clients for their continued support."

Peter Horton, CEO of the Bank commented:

"We are extremely pleased with these excellent half year results. The strong earnings base, clean balance sheet and excellent capital structure positions us very well for the future. During the remainder of the year we will continue to develop the franchise, investing in infrastructure, our people, and at the same time retaining an extremely strong financial profile."

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BERMUDA COMMERCIAL BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at March 31, 2014 (in US\$ - unaudited)

Assets	MAR 31, 2014	SEP 30, 2013*
Cash and term deposits (Note 3):		
Due on demand	\$ 72,157,469	\$ 37,571,268
Term deposits	124,000,000	155,043,268
Total cash and term deposits	196,157,469	192,614,536
Receivable from a related party	8,000,000	21,412,350
Derivative financial instruments	1,067,468	4,173,271
Interest receivable	5,021,272	3,940,765
Other assets	14,017,377	9,352,690
Investment securities (Note 4)	230,942,913	252,613,417
Loans and advances to customers (Note 5)	92,193,470	78,049,354
Investment in an associate	18,737,591	18,795,921
Property and equipment	9,654,495	3,526,583
Goodwill and other intangible assets	7,086,145	7,194,752
Total assets	\$ 582,878,200	\$ 591,673,639
Liabilities		
Deposits (Note 6):		
Demand deposits	\$ 251,019,705	\$ 258,040,418
Term deposits	198,217,270	209,462,667
Total deposits	449,236,975	467,503,085
Derivative financial instruments	2,531,940	6,582,691
Interest payable	4,566,362	3,821,665
Customer drafts payable	450,337	2,173,421
Other liabilities	2,409,320	2,129,497
Total liabilities	\$ 459,194,934	\$ 482,210,359
Equity		
Capital stock	\$ 16,807,963	\$ 16,807,963
Share premium	22,131,188	22,131,188
Reserve for available-for-sale	19,251,921	10,444,463
Share of other comprehensive income of an associate	(404,716)	(404,716)
Retained Earnings	65,896,910	60,484,382
Total equity	123,683,266	109,463,280
Total liabilities and equity	\$ 582,878,200	\$ 591,673,639

*Audited

BERMUDA COMMERCIAL BANK LIMITED
CONSOLIDATED STATEMENT OF INCOME
 as at March 31, 2014 (in US\$ - unaudited)

Income	For the three months ended		For the six months ended	
	MAR 31, 2014	MAR 31, 2013	MAR 31, 2014	MAR 31, 2013
Interest income:				
Cash and term deposits	\$ 40,180	\$ 80,825	\$ 71,501	\$ 168,334
Money market funds	-	7,176	-	59,042
Loans and advances to customers	1,850,854	1,523,811	3,343,520	1,633,857
Financial investments	4,359,354	3,693,287	8,660,734	7,778,068
Total interest income	6,250,388	5,305,099	12,075,755	9,639,301
Interest expense	(1,009,668)	(882,831)	(1,993,682)	(1,788,798)
Net interest income	5,240,720	4,422,268	10,082,073	7,850,503
Fees and commissions (Note 8)	1,119,169	928,258	2,463,506	1,974,110
Net exchange gains (losses)	68,891	(740,123)	(101,347)	(540,959)
Hedging of investment securities	(1,573,526)	(2,266,648)	(2,861,716)	(2,055,410)
Dividend income	459,232	213,149	727,944	366,150
Gain from sale of financial investments	5,050,528	2,315,105	9,676,317	7,417,889
Impairment losses on financial investments	(992,217)	-	(992,217)	(1,160,184)
Share of profit of an associate	75,319	59,450	125,113	118,900
Other operating income	26,443	20,758	49,755	41,477
Total income	9,474,559	4,952,217	19,169,428	14,012,476
Expenses				
Salaries and employee benefits	2,746,904	2,362,027	5,564,784	5,224,802
Depreciation	64,155	84,685	142,725	164,542
Amortisation	128,801	120,983	260,293	253,058
General and administrative expenses (Note 9)	2,927,369	1,689,547	5,303,202	3,288,813
Total expenses	5,867,229	4,257,242	11,271,004	8,931,215
Net income	\$ 3,607,330	\$ 694,975	\$ 7,898,424	\$ 5,081,261

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About Bermuda Commercial Bank

Bermuda Commercial Bank Limited (BCB) is one of Bermuda's four licensed banks, established in 1969 and regulated by the Bermuda Monetary Authority.

Bermuda Commercial Bank is Bermuda's only bank focused purely on corporate and private wealth clients, offering a range of bespoke financial solutions. Bermuda Commercial Bank takes pride in ensuring clients' assets are safely and professionally managed at our Hamilton based office. For more information please visit our website www.bcb.bm.