

Financial Highlights, by BUTTERFIELD.

First Quarter 2020



Butterfield is a full-service bank and wealth manager headquartered in Hamilton, Bermuda, providing services to clients from Bermuda, the Cayman Islands, Guernsey and Jersey, where our principal banking operations are located, and The Bahamas, Switzerland, Singapore and the United Kingdom, where we offer specialised financial services. Banking services comprise deposit, cash management and lending solutions for individual, business and institutional clients. Wealth management services are composed of trust, private banking, asset management and custody. In Bermuda, the Cayman Islands and Guernsey, we offer both banking and wealth management. In The Bahamas, Singapore and Switzerland, we offer select wealth management services. In the UK, we offer residential property lending. In Jersey, we offer select banking and wealth management services. Butterfield is publicly traded on the New York Stock Exchange (symbol: NTB) and the Bermuda Stock Exchange (symbol: NTB.BH).

Our Strategy

Butterfield is pursuing a strategy to maintain a strong capital position and promote long-term growth, with an emphasis on core earnings and cash return on tangible equity to drive sustainable improvements in shareholder value. A central tenet of that strategy is to build upon our relationship-based business approach by delivering exceptional client services.

Recent Developments

Q1 2020 financial results were relatively strong despite the early headwinds experienced from the global COVID-19 health crisis. As an essential service provider, Butterfield continues to offer financial services for our customers, while maintaining social distancing and operating remotely where possible. The Bank has taken appropriate measures, such as temporarily deferring mortgage payments, reducing fees and significantly increasing contributions to community programmes for people in the greatest need. The impacts to Butterfield from this health crisis will vary depending on a variety of factors, including the length and severity of the economic downturn, the interest rate environment and the time it takes for tourism in Bermuda and Cayman to recover. Butterfield is monitoring the rapidly changing operating environment while preparing for a challenging economic base case and will take appropriate actions to best balance the interests of all stakeholders.

The Board declared a common dividend for the quarter ended 31 March 2020 of \$0.44 per common share to be paid on 28 May 2020 to shareholders of record on 14 May 2020. During this quarter, the Bank repurchased 1.3 million common shares under the Bank's current 3.5 million common share repurchase plan authorisation.

The Bank announced that independent directors Caroline Foulger and Meroe Park have retired from the Board and that Group Chief Financial Officer, Michael Schrum, has joined the Board as an executive director.

Financial Highlights of Results

(With comparisons to the quarter-ended 31 March 2019)

**Net income of \$40.3 million,
down \$11.8 million**

**Total net revenue of \$129.4 million,
down \$3.7 million**

**Non-interest income of \$47.6 million,
up \$4.2 million**

Key Financial Ratios

	Q1 2020	Q1 2019
• Return on average common equity	16.6%	23.7%
• Core return on average tangible common equity ¹	18.6%	25.6%
• Return on average assets	1.2%	1.9%
• Core efficiency ratio ¹	63.8%	60.1%

¹Please refer to the "Reconciliation of Non-GAAP Financial Measures" in our published First Quarter 2020 Results.

Capital Ratios (as at)

	31 Mar 2020	31 Dec 2019
• Common Equity Tier 1	17.5%	17.3%
• Total capital ratio	19.8%	19.4%

Credit Ratings

KBRA
Short-Term K1
Long-Term Senior A+

MOODY'S
Short-Term P2
Long-Term Senior A3

S&P
Short-Term A2
Long-Term Senior BBB+

Certain of the statements made in this document are "forward-looking statements" within the meaning and protections of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance, capital, ownership or achievements of the Bank to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements due to a variety of factors, including worldwide economic conditions, success in business retention and obtaining new business and other factors. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "will," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "estimate," "continue," "plan," "point to," "project," "could," "intend," "target" and other similar words and expressions of the future. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our Securities and Exchange Commission ("SEC") reports and filings. Such reports are available upon request from the Bank, or from the SEC, including through the SEC's Internet website at <http://www.sec.gov>. We have no obligation and do not undertake to update, revise or correct any of the forward-looking statements after the date hereof, or after the respective dates on which any such statements otherwise are made. Butterfield is publicly traded on the New York Stock Exchange. Butterfield's share price on the New York Stock Exchange is available on *Bloomberg Financial Markets* (symbol: NTB). Butterfield is also publicly traded in Bermuda, and its shares are listed on the Bermuda Stock Exchange. Butterfield's share price in Bermuda is published daily in *The Royal Gazette* (www.royalgazette.com) and is also available on *Bloomberg Financial Markets* (symbol: NTB.BH) and the Bermuda Stock Exchange website (www.bsx.com). Further details on the Butterfield Group can be obtained from our website at: www.butterfieldgroup.com. The Bank of N.T. Butterfield & Son Limited is licenced to conduct banking business by the Bermuda Monetary Authority 165 Front Street, Hamilton, Bermuda.