









Financial Highlights



Butterfield continues to pursue a strategy to promote long-term growth while maintaining a strong capital and liquidity profile. A central tenet of that strategy is to build upon our relationship-based business approach by delivering exceptional client services.

<div>NET INCOME</div> <div>\$225.5M</div> <div> up \$11.5 million</div>	<div>NET INTEREST INCOME</div> <div>\$367.0M</div> <div> up \$23.4 million</div>	<div>NON-INTEREST INCOME</div> <div>\$212.3M</div> <div> up \$5.7 million</div>	<div>NON-INTEREST EXPENSES</div> <div>\$352.3M</div> <div> up \$20.7 million</div>
<div>RETURN ON AVERAGE COMMON EQUITY</div> <div>24.2%</div> <div> 2022 25.7%</div>	<div>CORE EFFICIENCY RATIO*</div> <div>58.1%</div> <div> 2022 58.9%</div>	<div>RETURN ON AVERAGE ASSETS</div> <div>1.7%</div> <div> 2022 1.5%</div>	<div>ANNUAL DIVIDEND</div> <div>\$1.76 <small>per common share</small></div> <div></div>

IN US DOLLARS
(With comparisons to the year ended 31 December 2022)

*Please refer to the “Reconciliation of Non-GAAP Financial Measures” in our published year end 2023 results.



CAPITAL RATIOS

COMMON EQUITY TIER 1

23.0%

31 Dec 2022 20.3%

TOTAL CAPITAL RATIO

25.4%

31 Dec 2022 24.1%

RECENT DEVELOPMENTS

For the year ended December 31, 2023, the Bank reported net income of \$225.5 million, or \$4.58 per diluted common share and core net income* of \$231.5 million or \$4.70 per diluted share. Net income and core net income* were up year-over-year 5.4% and 7.3%, respectively. For the year, our return on common equity was 24.2% and core return on tangible common equity* was 27.0%.

Butterfield’s strong performance in 2023 was driven by active balance sheet management and an enhanced focus on long-term client relationships. Our conservative and profitable business model, characterized by limited credit risk, a high fee income ratio, and strong cash liquidity, was validated during the systemic challenges faced by U.S. regional banks last year. Butterfield also benefited from a resilient deposit base diversified across jurisdictions, sectors, and currencies.

During the year we completed a number of strategic projects. These include our upgraded core banking system in Bermuda and Cayman and the onboarding of trust assets acquired from Credit Suisse. In addition, we executed a significant group-wide restructuring



YEAR END 2023 FINANCIAL RESULTS

program, which should improve operating efficiencies and help offset inflationary pressures and the expected impact of lower market interest rates on net interest income.

The Bank maintained its balanced capital return policy. The Board again declared a quarterly dividend of \$0.44 per common share to be paid on March 11, 2024 to shareholders of record on February 26, 2024. During the fourth quarter of 2023, Butterfield repurchased 1.2 million common shares under the Bank’s share repurchase program. The Board approved a new share repurchase program on December 5, 2023 to replace its expiring program, authorizing the purchase of up to 3.5 million common shares through to December 31, 2024. The new share repurchase authorization took effect on December 15, 2023.

CREDIT RATINGS

<div>KBRA</div> <div>Short-Term K1 Long-Term Senior A+</div>	<div>Moody’s</div> <div>Short-Term P2 Long-Term Senior A3</div>	<div>S&P</div> <div>Short-Term A2 Long-Term Senior BBB+</div>
--	---	---

Headquartered in Hamilton, Bermuda, Butterfield offers a range of community banking and bespoke financial services from eight leading international financial centres, supported by service centres in Canada and Mauritius. Butterfield serves international 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, Guernsey and Jersey, 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.

Certain of the statements made in this release are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions estimates, intentions, and future performance, including, without limitation, our intention to make share repurchases and our dividend payout target, 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 Butterfield 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 (including economic growth and general business conditions) and fluctuations of interest rates, inflation, a decline in Bermuda’s sovereign credit rating, any sudden liquidity crisis, the successful completion and integration of acquisitions (including our integration of the trust assets acquired from Credit Suisse) or the realization of the anticipated benefits of such acquisitions in the expected time-frames or at all, success in business retention (including the retention of relationships associated with our Credit Suisse acquisition) and obtaining new business, potential impacts of climate change, the success of our updated systems and platforms and other factors. Forward-looking statements can be identified by words such as “anticipate,” “assume,” “believe,” “estimate,” “expect,” “indicate,” “intend,” “may,” “plan,” “point to,” “predict,” “project,” “seek,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” “contemplate” and other similar expressions, although not all forward-looking statements contain these identifying words. All statements other than statements of historical fact are statements that could be forward-looking statements.

All forward-looking statements in this disclosure are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our SEC reports and filings, including under the caption “Risk Factors” in our most recent Form 20-F. Such reports are available upon request from Butterfield, or from the Securities and Exchange Commission (“SEC”), including through the SEC’s website at <https://www.sec.gov>. Any forward-looking statements made by Butterfield are current views as at the date they are made. Except as otherwise required by law, Butterfield assumes no obligation and does not undertake to review, update, revise or correct any of the forward-looking statements included in this disclosure, whether as a result of new information, future events or other developments. You are cautioned not to place undue reliance on the forward-looking statements made by Butterfield in this disclosure. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, and should only be viewed as historical data.