

31 March 2013

Fund Review



BERMUDA FUND

OBJECTIVE

To achieve long-term capital growth and income by investing in a diversified portfolio of Bermuda assets.

INVESTMENT POLICY

To invest in the equity securities of companies incorporated in Bermuda or having a substantial presence in Bermuda as well as the debt securities of those companies and of the Bermuda Government.

INVESTMENT PROCESS

The Fund will alter the mix of debt and equity holdings as changes in the economic prospects of companies and asset classes warrant.

FUND REVIEW

During March, the Fund returned 4.3%, compared to the BSE Index return of 1.4%. The MSCI World returned 2.8% for the period. We are unable to report the BSE Insurance Index returns for March due to a calculation error at the Bermuda Stock Exchange. All above returns are quoted as price only returns. The Fund also paid a \$0.11 dividend for the quarter.

The Fund's reinsurance holdings continued to perform well in March, outpacing broader markets in the later half of the month. Global markets paused toward the end of the month on concerns over the Cypriot banking system and the EU's possible response, along with some worse than predicted economic data out of the US. With no major loss events during the month and no major releases from the reinsurance companies, the Fund's reinsurance companies traded with a fairly strong correlation through the month. The Atlantic storm season is fast approaching and companies tend to concentrate more on specific business lines in the last renewal period before the season; it is likely that the correlation will decrease in the coming months.

In the Bermuda market, the majority of stocks remained relatively flat through the month. The exception was Bermuda Press Holdings which rallied an impressive 15.6% from previous lows set in February. Unfortunately, Bermuda Press Holdings has too small a weight in either the index or the Fund to have a significant impact. At the time of writing, both S&P and Moodys rating agencies revised credit rating outlooks on Bermuda's sovereign debt. S&P revised the rating outlook from stable to negative while Moodys placed their rating on review, citing concerns over the rising debt levels and continued local recession.

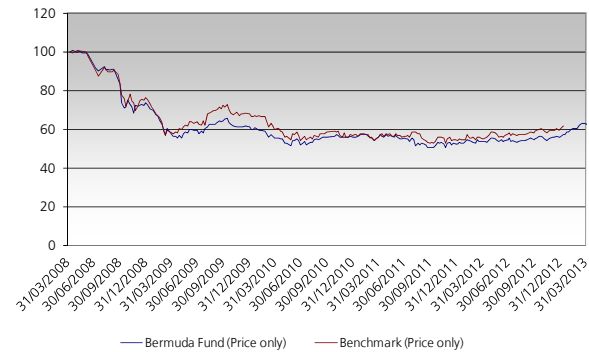
GENERAL INFORMATION

Currency: BMD	Fiscal Year End: 30 June
Valuation: Wednesday	Min. Investment: BMD 1,000
Dealings: Thursday	Total Expense Ratio: 1.28%
Front End Fee: None	Size of Fund (millions): BMD 13.3
Units Available: Accumulation	NAV per share (31.3.2013): BMD 19.28

Contact Information

Butterfield Asset Management Limited | Tel (441) 299 3817

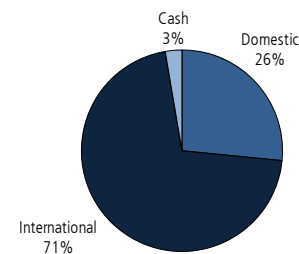
CHART MONTHLY



AVERAGE ANNUAL COMPOUND RETURNS (TOTAL RETURNS)

1 Year	3 Years	5 Years	7 Years	10 Years
20.5%	7.5%	-5.9%	-3.0%	2.5%

ASSET ALLOCATION



TOP 10 EQUITY HOLDINGS

1.	ACE Ltd	14.1%
2.	The Bank of N.T. Butterfield & Son Ltd	9.4%
3.	Ascendant Group Ltd	8.5%
4.	Arch Capital Group Ltd	7.2%
5.	Everest Re	6.7%
6.	Aspen Insurance Holding	6.2%
7.	Renaissance Re Holdings Ltd	5.3%
8.	Assured Guaranty Ltd	4.9%
9.	Validus Holdings Ltd	4.9%
10.	Endurance Specialty Holdings	4.4%

BENCHMARK COMPOSITION

60% BSE Insurance Index, 40% BSX Index

Note: Due to the unavailability of total return figures for the BSX Insurance Index (60% of benchmark), relative returns of the Bermuda Fund and its benchmark components will be presented as price returns only unless specifically stated otherwise.

www.butterfieldgroup.com

Butterfield Asset Management Limited is a wholly owned subsidiary of The Bank of N.T. Butterfield & Son Limited and is licensed to conduct investment business by the Bermuda Monetary Authority and securities investment business by the Cayman Islands Monetary Authority. Past performance is not indicative of future performance. This document is for information purposes only and does not constitute an offer or solicitation of products or services where prohibited by Law. The information contained herein is not intended as specific investment, financial, accounting, legal or tax advice and the Bank will accept no responsibility for any reliance on the information contained herein. More comprehensive information is available upon request.