



PRESS RELEASE

BCB REPORTS 34% INCREASE IN TOTAL ASSETS

(Hamilton, Bermuda, November 23, 2007) - The Directors of Bermuda Commercial Bank Limited ("BCB" or "the Bank") are pleased to announce the annual results of the Bank for the financial year ending September 30, 2007.

Mr. John Sainsbury, President, stated that "2007 was an eventful year for Bermuda Commercial Bank Limited. The year commenced with the resignation of the Bank's Chairman and President following an investigation into First Curacao International Bank ("FCIB"), a major shareholder of BCB, on which both individuals served as Directors. Prior to these resignations the Board of Directors had made the decision to seek a purchaser of the Bank and subsequently announced that negotiations with other entities were ongoing. Negotiations for the sale of the Bank continue but we have learned that it is not prudent to make any timing assumptions until a definitive sales agreement is signed. Furthermore, as a result of the events at FCIB, and in consultation with our auditors, the 2006 audit was delayed and was not completed until August 2007."

Despite these challenges Bermuda Commercial Bank closed the year in a strong position with year end deposit balances returning to more historical levels. BCB's net income for the year ended September 30, 2007 was \$5.94 million. This compares to recurring net income of \$8.38 million in 2006 and \$5.17 million in 2005.⁽¹⁾ Basic and diluted earnings per share as at September 30, 2007 are \$1.36 and \$1.08, respectively. Basic and diluted earnings per share as at September 30, 2006 were \$1.93 and \$1.67, respectively. This dilution is as a consequence of the 3,311,251 outstanding warrants and options as at September 30, 2007 (2006: 3,352,539).

(1) To enhance the understanding of the Bank's results and to aid comparison with prior and future periods, 2006 figures reported in this letter exclude one-time, non recurring income of \$1.75 million. 2006 net income, including this income, was \$10.13 million for the year ended September 30, 2006. 2006 basic and diluted earnings per share, including this income, were \$2.34 and \$2.02 per share, respectively.

Total assets were \$621.55 million at September 30, 2007 compared to \$464.27 million at September 30, 2006, an increase of \$157.28 million or 33.9%. Mr. Sainsbury stated that “this increase, while very encouraging, needs to be examined in the context of the \$858.82 million of total assets reported at September 30, 2005. The results indicate that the Bank has recovered from the year’s events and we are pleased to report that the Bank has recorded consistently positive growth in the later part of fiscal 2007.”

BCB’s investment policy results in an extremely liquid, low risk balance sheet for its clients and shareholders. However, this policy exposes the Bank’s net income to the vulnerabilities of a changing interest rate environment and also to fluctuations in average deposit levels. BCB’s net interest income declined from \$11.60 million at September 30, 2006 to \$10.51 million at September 30, 2007, a decrease of \$1.09 million or 9.4%, largely as a result of lower average deposit levels particularly in the earlier part of the financial year.

Dominique Smith, Chief Operating Officer, noted that “over the past two years the Bank has performed a detailed and thorough review of its client base to align clients with our business strategy and conservative risk profile. This review has resulted in the termination of a number of client relationships but we are satisfied that the end result is a leaner, lower risk clientele which the Bank is better able to service. We are confident that we are now in a strong position to effect revenue growth. Partly as a result of this exercise, fees and commissions decreased by \$1.11 million from \$5.31 million to \$4.20 million. Over and above the review process we also lost some significant business following the termination of two relatively large client relationships. One client transferred its banking business onshore and the second client ceased its operations in Bermuda. Partially offsetting these losses, foreign exchange gains grew by \$140,000 to \$790,000 following increased turbulence in the global foreign exchange markets.”

The Board of Directors of the Bank has approved a half-yearly dividend of \$0.40, or \$0.80 per share for the year. This dividend represents 59.3% of annual 2007 earnings and generates an annual yield of 8.2% based on the average fiscal year 2007 trading price of \$9.72 for the Bank’s common stock.

The following table depicts selected financial data to accompany the preceding narrative. 2006 figures include one-time, non recurring income of \$1.75 million.

Summary Financial Data

Statement of Operations for the year ended

	September 30, 2007	September 30, 2006
Net interest income	10,506,972	11,601,759
Total revenues	15,715,598	19,539,685
Total expenses	9,777,180	9,407,598
Net income	5,938,418	10,132,087

Balance Sheet as at

	September 30, 2007	September 30, 2006
Total assets	621,546,371	464,272,488
Cash and cash equivalents	618,598,554	461,456,772
Total customer deposits	555,545,620	399,740,365
Half yearly dividend	1,755,557	2,825,943
Shareholders' equity	60,161,113	57,436,574

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About Bermuda Commercial Bank

Bermuda Commercial Bank is one of Bermuda's four licensed banks, established in 1969 and listed on the Bermuda Stock Exchange. Bermuda Commercial Bank is a corporate and private wealth bank, offering a range of services through its subsidiaries International Corporate Management of Bermuda, BCB Trust Company Limited, Bercom Nominees Limited and BCB (Mauritius) Limited. Bermuda Commercial Bank takes pride in ensuring clients' assets are safely and professionally managed at our Hamilton based office. For more information on the Bank please visit our website www.bcb.bm.

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