

CAPITAL MARKETS ANNOUNCEMENT

The Bank of N.T. Butterfield & Son Limited (NYSE: NTB; Hamilton, Bermuda) Closes \$287.5 Million Initial Public Offering of Common Stock

Sandler O'Neill + Partners, L.P. served as joint book-running manager for this offering.

Since January 1, 2014, Sandler O'Neill has acted as a book-runner or co-manager on 20 bank IPOs. These transactions have raised approximately \$7.6 billion for our clients.¹

About the Offering:

The Bank of N.T. Butterfield & Son Limited ("Butterfield") announced today the closing of its previously announced initial public offering ("IPO") of 12,234,042 of its voting ordinary shares ("Common Shares") at a price to the public of \$23.50 per share. The shares began trading 16 September 2016 on the New York Stock Exchange under the ticker symbol "NTB."

The offering of 12,234,042 Common Shares consisted of 5,957,447 Common Shares sold by Butterfield and 4,680,851 Common Shares sold by certain selling shareholders ("Selling Shareholders"). In addition, the offering included 1,595,744 Common Shares sold by certain of the Selling Shareholders pursuant to the underwriters' option to purchase additional shares, which was exercised in full prior to the closing.

This announcement is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell securities.

About the Company:

Butterfield is Bermuda's first and largest independent bank, and a specialist provider of international financial services. The Butterfield Group offers a full range of community banking services in Bermuda and the Cayman Islands, encompassing retail and corporate banking and treasury activities. Butterfield also provides various property lending, private banking, asset management and personal trust services from its headquarters in Bermuda and subsidiary offices in the Cayman Islands, Guernsey and the United Kingdom. In Switzerland and The Bahamas, Butterfield provides personal trust and company services.

(1) Source: SNL Financial

September 21, 2016

Initial Public Offering

\$287.5 Million



Butterfield Bank

Joint Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights

(Dollars in millions)

Total Assets	\$11,287
Net Loans	\$3,904
Total Deposits	\$10,082
Total Equity	\$816
MRQ ROAA	1.11%
MRQ ROATCE	21.24%

Note: Financial data as of 6/30/16

Source: SNL Financial; data is not pro forma for the offering

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