

**THE GOVERNMENT OF BERMUDA ANNOUNCES
COMMENCEMENT OF CASH TENDER OFFERS FOR UP TO
\$500,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS OUTSTANDING
4.138% SENIOR NOTES DUE 2023, 4.854% SENIOR NOTES DUE 2024,
3.717% SENIOR NOTES DUE 2027 AND 4.750% SENIOR NOTES DUE 2029**

HAMILTON, BERMUDA — August 10, 2020

The Government of Bermuda (the “**Government**”) announced today the commencement of offers to purchase for cash (the “**Tender Offers**”) up to \$500,000,000 aggregate principal amount (as such amount may be increased in the sole discretion of the Government, the “**Aggregate Maximum Tender Amount**”) of its outstanding 4.138% Senior Notes due 2023 (the “**2023 Notes**”), 4.854% Senior Notes due 2024 (the “**2024 Notes**”), 3.717% Senior Notes due 2027 (the “**2027 Notes**”) and 4.750% Senior Notes due 2029 (the “**2029 Notes**” and, together with the 2023 Notes, the 2024 Notes and the 2027 Notes, the “**Existing Notes**”). The terms and conditions of the Tender Offers are set forth in the Offer to Purchase, dated August 10, 2020 (the “**Offer to Purchase**”).

The tender period (the “**Tender Period**”) will commence on August 10, 2020 and expire at 8:00 a.m., New York City time, on August 17, 2020 unless extended or earlier terminated by the Government in its sole discretion (the “**Expiration Time**”). The settlement of the Tender Offers is scheduled to occur on August 20, 2020 (the “**Settlement Date**”). Tenders of the Existing Notes in an aggregate principal amount in excess of the Aggregate Maximum Tender Amount may be subject to proration, in accordance with the terms of the Tender Offers described in the Offer to Purchase.

The Tender Offers are not conditioned upon any minimum participation by the holders of any series of Existing Notes but are conditioned on (a) the satisfaction or waiver by the Government of the conditions described in the Offer to Purchase, (b) the closing of an offering of new notes (the “**New Notes**”) by the Government (the “**New Notes Offering**”), which is intended to settle prior to or concurrently with the Tender Offers, and (c) the dealer manager agreement relating to the Tender Offers not being terminated prior to or at the time of the settlement of the Tender Offers.

Tendering Holders who wish to tender their Existing Notes for cash and also subscribe for the New Notes should obtain a unique identifier code (“**Unique Identifier Code**”) by contacting Goldman Sachs & Co. LLC (“**GS**”) or HSBC Securities (USA) Inc. (“**HSBC**” and, together with GS in such capacity, the “**Dealer Managers**”). The Government will review tender instructions received on or prior to the Expiration Time and may give priority to those investors tendering with Unique Identifier Codes in connection with the allocation of New Notes. A Unique Identifier Code is not required for a Holder to tender its Existing Notes, but if a tendering Holder wishes to subscribe for the New Notes, such Holder should quote their Unique Identifier Code in its ATOP or Electronic Acceptance Instruction. However, no assurances can be given that any Holder that tenders Existing Notes will be given an allocation of New Notes at the levels it may subscribe for, or at all.

Allocations in the New Notes Offering will be determined by GS and HSBC, in their capacity as initial purchasers in the New Notes Offering, in their sole discretion based on a number of factors, which may include an assessment of an investor’s long term interest in owning debt securities issued by the Government, the size and timing of such investor’s indication of interest in purchasing New Notes, and the aggregate principal amount of all tenders in the Tender Offers. However, neither GS nor HSBC are obligated to consider participation in the Tender Offers in making an allocation determination with respect to the New Notes with regard to any particular investor.

The table below summarizes certain terms of the Tender Offers:

Title of Existing Notes	Outstanding Principal Amount as of the date hereof	ISIN/CUSIP Numbers	Maturity Date/Par Call Date	Reference U.S. Treasury Security ⁽¹⁾	Fixed Spread (Basis Points)	Hypothetical Purchase Price ⁽²⁾
4.138% Senior Notes due 2023	\$475,000,000	USG10367AA14 / G10367 AA1 (Reg S) US085209AB07 / 085209 AB0 (144A)	January 3, 2023 / N/A	0.125% due July 15, 2023	+95	\$1,071.34
4.854% Senior Notes due 2024	\$550,000,000	USG10367AB96 / G10367 AB9 (Reg S) US085209AC89 / 085209 AC8 (144A)	February 6, 2024 / N/A	0.25% due July 31, 2025	+130	\$1,112.38
3.717% Senior Notes due 2027	\$665,000,000	USG10367AD52 / G10367 AD5 (Reg S) US085209AD62 / 085209 AD6 (144A)	January 25, 2027 / October 25, 2026	0.625% due May 15, 2030	+145	\$1,100.53
4.750% Senior Notes due 2029	\$620,000,000	USG10367AF01 / G10367AF0 (Reg S) US085209AF11 / 085209AF1 (144A)	February 15, 2029 / November 15, 2028	0.625% due May 15, 2030	+180	\$1,180.35

- (1) The Purchase Price payable per \$1,000 principal amount for each series of Existing Notes validly tendered and accepted for purchase will be based on the fixed spread specified for the applicable series of Existing Notes, plus the yield of the specified Reference U.S. Treasury Security for that series as of 2:00 p.m. (New York City time) on August 17, 2020, unless extended with respect to the applicable Tender Offer. Applicable Accrued Interest will be payable in cash in addition to the Purchase Price.
- (2) Hypothetical Purchase Price payable per each \$1,000 principal amount of each series of Existing Notes validly tendered and accepted for purchase, assuming the Reference Yield (as defined herein) had been measured at 9:30 a.m. (New York City time) on August 7, 2020 and assuming a hypothetical settlement date of August 20, 2020. The hypothetical information provided in the table above is for illustrative purposes only. The Government makes no representation with respect to the actual consideration that may be paid, and such amounts may be greater or lower than those shown, depending on the yield of the applicable Reference U.S. Treasury Security as of the price determination time.

For each \$1,000 principal amount of Existing Notes validly tendered and made in accordance with the terms and conditions of the Tender Offers (“Tenders”) on or prior to the Expiration Time, and accepted for purchase pursuant to the Tender Offers, the Government will pay the applicable Purchase Price indicated in the table above (each, a “**Purchase Price**”), plus Accrued Interest (as defined below) on each series of Existing Notes accepted for purchase. The applicable Purchase Price payable by the Government for each \$1,000 principal amount of each series of Existing Notes validly tendered at or prior to the Expiration Time and accepted by the Government pursuant to the Tender Offers, will be the price, determined by the Dealer Managers in accordance with standard market practice, as described in the Offer to Purchase, that equates to a yield using the applicable maturity date or par call date, as applicable, equal to the sum of (a) the applicable fixed spread specified in the table above for each such series of Existing Notes, plus (b) the applicable reference yield, which shall be based on the bid-side price of the applicable Reference U.S. Treasury Security (specified in the table above) at the price determination time.

The Government will announce the applicable Purchase Price for each series of Existing Notes as soon as practicable after they are determined by the Dealer Managers at the price determination time.

Holders of Existing Notes participating in the Tender Offers whose Existing Notes are accepted for purchase will also receive any accrued and unpaid interest on their Existing Notes from, and including, the last interest payment date for such Existing Notes to, but not including, the Settlement Date (“**Accrued Interest**”). Tenders that are accepted will be settled solely by the Government on the Settlement Date, subject to the terms and conditions of the Tender Offers.

During the Tender Period, a holder of Existing Notes may submit such Existing Notes to be tendered through The Depository Trust Company (“**DTC**”), Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”) or Clearstream Banking, S.A. (“**Clearstream**”). No letter of transmittal or guaranteed delivery procedures are being offered in connection with the Tender Offers. As holders of Existing Notes are authorized to tender their Existing Notes only through DTC, Euroclear or Clearstream, beneficial owners of Existing Notes that are held in the name of a custodian must contact such entity sufficiently in advance of the Expiration Time if they wish to tender their Existing Notes and be eligible to receive the applicable Purchase Price for such Existing Notes.

Holders who tender their Existing Notes will not have withdrawal rights with respect to the Tender Offers, unless required by applicable law.

The Government reserves the right, in its sole discretion, not to accept any tender for any reason or to extend, re-open, amend or terminate the Tender Offers, or to close a Tender Offer to further Tenders, in its sole discretion.

Any extension, termination or amendment of the Tender Offers will be followed, as promptly as practicable, by public announcement thereof. The Government shall communicate such public announcement by issuing a press release in accordance with applicable law and by an announcement on the website of the Luxembourg Stock Exchange (www.bourse.lu) and the website of the Bermuda Stock Exchange (www.bsx.com), which websites are not incorporated herein by reference and on the website for the Tender Offers run by the Tender and Information Agent (<http://www.gbsc-usa.com/Bermuda>).

The Dealer Managers for the Tender Offers are:

Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282
United States
Attn: Liability Management Group
Collect: +1 (212) 357-1452
Toll-Free: +1 (800) 828-3182
Email: GS-LM-NYC@gs.com

HSBC Securities (USA) Inc.
452 Fifth Avenue
New York, New York 10018
United States
Attn: Global Liability Management Group
Collect: +1 (212) 525-5552
Toll-Free: +1 (888) HSBC 4LM

Questions regarding the Tender Offers may be directed to the Dealer Managers at the above contacts.

The Offer to Purchase, as well as other relevant notices and documents, will also be available on <http://www.gbsc-usa.com/Bermuda>, the website for the Tender Offers operated by the Tender and Information Agent.

The Tender and Information Agent for the Tender Offers is Global Bondholder Services Corporation.

Global Bondholder Services Corporation

65 Broadway, Suite 404
New York, New York 10006
United States

Banks and Brokers call: +1 (212) 430-3774

Toll-Free: +1 (866) 470-4200

Email: contact@gbsc-usa.com

By facsimile: (*for Eligible Institutions only*): +1 (212) 430-3775

Confirmation: +1 (212) 430-3774

Holders of Existing Notes are urged to read the Offer to Purchase carefully. Any questions or requests for assistance in relation to the Offer to Purchase may be directed to the Dealer Managers at their respective telephone number set forth above or to the Holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offers. Requests for additional copies of the Offer to Purchase may be directed to the Tender and Information Agent at the address and telephone number set forth above.

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This release shall not be construed as an offer to purchase or a solicitation of an offer to purchase any of the Existing Notes or any other securities.

The Tender Offers are not being made in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. None of the Government, the Bank of New York Mellon as trustee for each series of Existing Notes, the Dealer Managers or the Tender and Information Agent makes any recommendation as to whether or not holders should tender their Existing Notes pursuant to the Tender Offers.

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Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this press release are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Government, to be materially different from any future results or performance expressed or implied by such forward-looking statements. These statements are based on certain assumptions and analyses the Government has made in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. The Government cautions you that a number of important factors could cause actual results and developments to differ materially from those contained in any forward-looking statement. The information contained in this press release identifies important factors that could cause such differences. The Government undertakes no obligation to update any of its forward-looking statements.

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