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NOT TO BE RELEASED UNTIL 7:00 a.m. 5 FEBRUARY 2004

RECOMMENDED CASH OFFER

for

LEOPOLD JOSEPH HOLDINGS PLC

by

ANZ INVESTMENT BANK

(the investment banking arm of Australia and New Zealand Banking Group Limited)

on behalf of

BANK OF BUTTERFIELD (UK) PLC

a wholly owned subsidiary of

THE BANK OF N. T. BUTTERFIELD & SON LIMITED

SUMMARY

The Board of Directors of Butterfield (UK) and the Board of Directors of Leopold Joseph are pleased to announce the terms of a recommended cash offer to be made by ANZ Investment Bank on behalf of Butterfield (UK) for the entire issued and to be issued share capital of Leopold Joseph (the "Offer").

Butterfield (UK) is a wholly owned subsidiary of The Bank of N. T. Butterfield & Son Limited. The Bank of N. T. Butterfield & Son Limited is a public company listed on the Bermuda and Cayman Islands Stock Exchanges with a market capitalisation of approximately BM\$1,047 million as at 4 February 2004, the last dealing day prior to this announcement.

- The Offer will be 950 pence in cash per Leopold Joseph Share, valuing the existing issued share capital of Leopold Joseph at approximately £51.5 million.
- The consideration payable under the Offer represents a premium of approximately 11.1 per cent. to the Closing Price of 855 pence on 4 February 2004, the last dealing day prior to this announcement.
- The consideration payable under the Offer represents a premium of approximately 43.9 per cent. to the Closing Price of 660 pence on 8 September 2003, the last dealing day prior to the announcement by Leopold Joseph that it was conducting a strategic review.
- The consideration payable under the Offer represents a premium of approximately 54.2 per cent. to the net asset value per share of approximately 616 pence as at 30 September 2003.
- Butterfield (UK) has received irrevocable undertakings to accept the Offer in respect of, in aggregate, 4,001,310 Leopold Joseph Shares, representing approximately 73.7 per cent. of Leopold Joseph's existing issued share capital.
- Leopold Joseph Shareholders will also be offered a Loan Note Alternative. The Loan Notes will be guaranteed by The Bank of N. T. Butterfield & Son Limited.

The Offer will be conditional upon receiving regulatory approval from the FSA, GFSC and BMA.

The Bank of N. T. Butterfield & Son Limited entered the UK private banking market with the acquisition of a specialist private bank in 2001 and has embarked upon a growth strategy based on personal service. The Bank of N. T. Butterfield & Son Limited has a well-established private banking, investment management and trust business in Guernsey. Founded in 1919, Leopold Joseph is an independent, specialist private banking and investment management group, with operations in London and Guernsey.

Commenting on the Offer, Robin Herbert, Chairman of Leopold Joseph said:

“Following the strategic review which was initiated five months ago, the Board of Directors of Leopold Joseph believes that the Offer represents the most attractive means of realising value for Leopold Joseph Shareholders.

“The Board of Directors also believes that this will be a good overall outcome for Leopold Joseph’s clients and employees. Leopold Joseph and Butterfield (UK) share important values, being strongly relationship driven and committed to a high level of personal service for clients. The combined businesses will also have greater resources to capitalise on opportunities in the private banking and investment management markets.

“Consequently, the Directors unanimously recommend Shareholders to accept the Offer.”

Alan Thompson, President and CEO of The Bank of N. T. Butterfield & Son Limited, said:

“The acquisition of Leopold Joseph will enhance our presence in the UK and Guernsey and give us a strong platform for further growth in the private banking arena in these markets. Leopold Joseph has a very good banking and investment management business, with a strong management team, dedicated employees, an excellent reputation and loyal client base.

“This acquisition is entirely consistent with our stated group strategy of growing our business in the UK and Guernsey markets. Leopold Joseph’s business is highly complementary with ours, both in terms of its core activities and its relationship driven approach to client service.”

This summary should be read in conjunction with the full text of the following announcement including Appendix I where certain conditions to the Offer are set out.

Enquiries:

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Robin Herbert, Chairman

Michael Quicke, Group Chief Executive

Lexicon Partners Limited (financial adviser to Leopold Joseph)

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Charles Outhwaite

Ollie Clayton

The full terms and conditions of the Offer will be set out in the Offer Document and the Form of Acceptance which will accompany it. In deciding whether or not to accept the Offer, Leopold Joseph Shareholders must rely solely on the terms and conditions of the Offer and the information contained, and the procedures described, in the Offer Document and the Form of Acceptance.

The availability of the Offer and/or the Loan Note Alternative to Leopold Joseph Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of other jurisdictions. Such persons should inform themselves about and observe any applicable requirements of those jurisdictions. The

Offer will not be made, directly or indirectly, in or into the United States, or by use of the mails of, or by any means or instrumentality (including, without limitation, by means of telephone, facsimile, telex, internet or other forms of electronic communication) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of, the United States, nor will it be made directly or indirectly in or into Canada, Australia or Japan or any such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within the United States, Canada, Australia or Japan or any such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction. Accordingly, copies of this announcement are not being, will not and must not be, in whole or in part, directly or indirectly, mailed or otherwise forwarded, distributed or sent, in whole or in part, in, into or from, the United States, Canada, Australia or Japan (or any other such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction). Accordingly, any person (including, without limitation, custodians, nominees and trustees) who may have any contractual or legal obligation to forward any of this announcement, should inform themselves of the relevant securities laws of the relevant jurisdiction before so doing.

Furthermore, the Loan Notes which may be issued pursuant to the Offer have not been, and will not be, registered under the US Securities Act or under any of the relevant securities laws of Canada, Australia or Japan. The Loan Notes which may be issued have not been nor will they be listed on any investment or securities exchange. Accordingly, unless an exemption from the relevant laws is available, the Loan Notes may not be offered, sold, resold, or delivered or transferred, directly or indirectly, in or into the United States, Canada, Australia or Japan or for the account or benefit of persons in such jurisdictions.

This announcement is not intended to and does not constitute an offer to sell, or form part of, or constitute the solicitation of an offer to purchase or subscribe for any securities.

ANZ Investment Bank, the investment banking arm of Australia and New Zealand Banking Group Limited, which is regulated by the Financial Services Authority for the conduct of designated investment business in the United Kingdom, is acting exclusively for Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited and for no-one else in connection with the Offer and will not be responsible to anyone other than Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited for providing the protections afforded to clients of ANZ Investment Bank or for providing advice in relation to the Offer.

Lexicon Partners Limited, which is regulated by the Financial Services Authority for the conduct of designated investment business in the United Kingdom, is acting exclusively for Leopold Joseph and for no-one else in connection with the Offer and will not be responsible to anyone other than Leopold Joseph for providing the protections afforded to clients of Lexicon Partners Limited or for providing advice in relation to the Offer.

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ANZ INVESTMENT BANK**

(the investment banking arm of Australia and New Zealand Banking Group Limited)

**on behalf of
BANK OF BUTTERFIELD (UK) PLC
a wholly owned subsidiary of**

THE BANK OF N. T. BUTTERFIELD & SON LIMITED

1. Introduction

The Board of Directors of Butterfield (UK) and the Board of Directors of Leopold Joseph are pleased to announce the terms on which a recommended cash offer is to be made by ANZ Investment Bank on behalf of Butterfield (UK) for the entire issued and to be issued share capital of Leopold Joseph (the "Offer").

Butterfield (UK) is a wholly owned subsidiary of The Bank of N. T. Butterfield & Son Limited. The Bank of N. T. Butterfield & Son Limited is a public company listed on the Bermuda and Cayman Islands Stock Exchanges with a market capitalisation of approximately BM\$1,047 million as at 4 February 2004, the last dealing day prior to this announcement.

2. The Offer

The Offer will be made to Leopold Joseph Shareholders by ANZ Investment Bank, on behalf of Butterfield (UK), on the following basis:

for each Leopold Joseph Share

950 pence in cash

The consideration payable under the Offer values the existing issued share capital of Leopold Joseph at approximately £51.5 million and represents a premium of approximately 11.1 per cent. to the Closing Price of 855 pence on 4 February 2004, the last dealing day prior to this announcement.

The consideration payable under the Offer represents a premium of approximately 43.9 per cent. to the Closing Price of 660 pence on 8 September 2003, the last dealing day prior to the announcement by Leopold Joseph that it was conducting a strategic review.

The consideration payable under the Offer represents a premium of approximately 54.2 per cent. to the net asset value per share of 616 pence as at 30 September 2003.

The Leopold Joseph Shares to be acquired pursuant to the Offer will be acquired by or on behalf of Butterfield (UK) fully paid and free from all liens, equities, charges, mortgages, encumbrances and any other interests of whatever nature and together with all rights now or hereafter attaching thereto, including all voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

The Offer includes the Loan Note Alternative, further details of which are set out in paragraph 10 below.

The Offer will be funded from The Bank of N. T. Butterfield & Son Limited's own financial resources. ANZ Investment Bank is satisfied that sufficient resources are available to Butterfield (UK) to enable it to satisfy full acceptance of the Offer.

The Offer will be made in accordance with the requirements of the City Code and will be subject to the conditions set out in Appendix I to this announcement and to be set out or referred to in the Offer Document and the accompanying Form of Acceptance.

3. Directors' Recommendation

The Board of Leopold Joseph, which has been so advised by Lexicon Partners Limited, considers the terms of the Offer to be fair and reasonable so far as Leopold Joseph Shareholders are concerned. In providing financial advice to the Directors, Lexicon Partners Limited have taken into account the Directors' commercial assessments of the Offer. Accordingly, the Directors of Leopold Joseph unanimously recommend Leopold Joseph Shareholders to accept the Offer as they and certain related parties have irrevocably undertaken to do in respect of their shareholdings, which amount, in aggregate, to 1,651,262 Leopold Joseph Shares, representing approximately 30.4 per cent. of the existing issued share capital of Leopold Joseph. These irrevocable undertakings will continue to be binding in the event of a higher offer being made for the Leopold Joseph Shares by a competing third party.

4. Irrevocable Undertakings

Irrevocable undertakings to accept, or procure acceptance of, the Offer have been received by Butterfield (UK) in respect of, in aggregate, 4,001,310 Leopold Joseph Shares, representing approximately 73.7 per cent. of the existing issued share capital of Leopold Joseph. These irrevocable undertakings have been received from:

- the Directors and certain related parties in respect of, in aggregate, a total of 1,651,262 Leopold Joseph Shares, representing approximately 30.4 per cent. of the existing issued share capital of Leopold Joseph;
- Royal London Mutual Insurance Society Limited in respect of, in aggregate, a total of 1,576,648 Leopold Joseph Shares, representing approximately 29.1 per cent. of the existing issued share capital of Leopold Joseph;
- Perseverance Ltd in respect of, in aggregate, a total of 523,400 Leopold Joseph Shares, representing approximately 9.6 per cent. of the existing issued share capital of Leopold Joseph; and
- Wesleyan Assurance Society in respect of, in aggregate, a total of 250,000 Leopold Joseph Shares, representing approximately 4.6 per cent. of the existing issued share capital of Leopold Joseph.

Certain of the irrevocable undertakings from Leopold Joseph Shareholders that Butterfield (UK) has received which, in aggregate, amount to 2,350,048 Leopold Joseph Shares, representing approximately 43.3 per cent. of the existing issued share capital of Leopold Joseph, will cease to be binding in the event of a third party announcing a firm intention to make an offer for Leopold Joseph at a price per Leopold Joseph Share which is 10 per cent. or more above the Offer Price. All of the other irrevocable undertakings that Butterfield (UK) has received will cease to be binding only if the Offer lapses or is withdrawn.

Further details of the irrevocable undertakings will be set out in the Offer Document.

5. Background to and reasons for the Offer

On 9 September 2003, Leopold Joseph announced that it had appointed Lexicon Partners Limited to conduct a review of its strategic options. As part of the process, the options examined included a possible offer being made for Leopold Joseph. Following an extensive strategic review, the Board of Leopold Joseph concluded that the combined entity comprising Leopold Joseph and Butterfield (UK) would be well placed to capitalise on opportunities in the private banking sector.

Butterfield (UK) believes that Leopold Joseph's business profile is an attractive fit with The Bank of N. T. Butterfield & Son Limited's London and Guernsey operations, and will accelerate its existing strategy of expanding its private banking operations to high net worth and affluent individuals.

The Bank of N. T. Butterfield & Son Limited believes that its larger balance sheet and international network will enable it to provide Leopold Joseph's clients with an enhanced range of services while maintaining the highly personal service which Leopold Joseph clients value.

6. Information on Leopold Joseph

Founded in 1919, Leopold Joseph is an independent, specialist private banking and investment management group. The Group is headquartered in London with a wholly owned subsidiary operation based in Guernsey.

Leopold Joseph offers a broad range of services to high net worth individuals, companies, charities and institutions. These include deposit and borrowing facilities, investment management services, and trust and company administration services. It also offers foreign exchange and cash management services.

Leopold Joseph concentrates on providing a high level of individual personal service which is tailored to suit the client's individual requirements.

For the year ended 31 March 2003, Leopold Joseph had operating income of £16.1 million (2002: £16.5 million), profit before tax of £2.3 million (2002: £2.9 million) and basic earnings per share of 32.16p (2002: 42.04p). As at 31 March 2003, Leopold Joseph had net assets of £31.8 million.

The unaudited interim results for the six months ended 30 September 2003 reported operating income on continuing operations of £7.1 million (2002: £7.6 million), profit before tax on continuing operations before exceptional items of £1.0 million (2002: £1.3 million) and basic earnings per share before exceptional items of 13.42p (2002: 18.82p). As at 30 September 2003, Leopold Joseph had net assets of £33.4 million.

7. Information on Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited

Butterfield (UK) is a wholly owned subsidiary of The Bank of N. T. Butterfield & Son Limited. The Bank of N. T. Butterfield & Son Limited is a public company listed on the Bermuda and Cayman Islands Stock Exchanges with a market capitalisation of approximately BM\$1,047 million as at 4 February 2004, the last dealing day prior to this announcement. The Bank of N. T. Butterfield & Son Limited is Bermuda's oldest bank and its origins date back to the early 19th century. The Bank of N. T. Butterfield & Son Limited was incorporated with limited liability by Act of Parliament in Bermuda in 1904 and is currently Bermuda's second largest bank in terms of total assets and shareholders' equity. The Bank of N. T. Butterfield & Son Limited's corporate structure does not involve a holding company. The Bank of N. T. Butterfield & Son Limited is, therefore, both the principal operating company in Bermuda and the parent of all of the operating subsidiaries within the group, all of which are wholly owned.

The Bank of N. T. Butterfield & Son Limited offers a full range of community banking services in Bermuda, Barbados and the Cayman Islands, which encompass retail and corporate banking and treasury activities, in addition to being a specialist offshore financial services group. The Bank of N. T. Butterfield & Son Limited provides private banking, wealth management and fiduciary services, and investment management and pension fund administration services from its headquarters in Bermuda, and its subsidiary offices in the Cayman Islands, Guernsey, the United Kingdom and the Bahamas (where The Bank of N. T. Butterfield & Son Limited acquired Leopold Joseph (Bahamas) Limited in September 2003). Additionally, The Bank of N. T. Butterfield & Son Limited maintains a strategic investment in a financial services company in Hong Kong of which it previously had full ownership.

The Bank of N. T. Butterfield & Son Limited offers investment management services to private individuals, companies, charities and pension funds on a discretionary and advisory basis. Total assets under investment management totalled US\$7.7 billion as at 31 December 2003.

The value of client assets under administration and in custody as at 31 December 2003 was approximately US\$58 billion.

In 2001, The Bank of N. T. Butterfield & Son Limited became the first bank in both Bermuda and Cayman to offer internet banking services. In 2002, The Bank of N. T. Butterfield & Son Limited won the 'Bank of the Year' award from the 'Banker Magazine' for both Bermuda and Cayman and in 2003 won the 'Bank of the Year' award for Bermuda. Also, for the sixth consecutive year, Butterfield Asset Management Limited, a subsidiary of The Bank of N. T. Butterfield & Son Limited, won the following 2003 performance awards for the Butterfield funds from Standard & Poor's: 'Overall Group of Butterfield Funds – First Place in the World for five-year performance (Offshore Funds – Smaller Groups Category)'; and 'Butterfield Capital Appreciation Bond Fund – First Place in the World for five-year performance (Offshore Funds, Fixed Income, Global Sector)'.

The Bank of N. T. Butterfield & Son Limited's debt ratings as at 4 February 2004 (being the latest practicable date prior to this announcement) are:

	Moody's	Standard & Poor's	Fitch
Short-term	P2	A2	F1
Long-term	A3	A-	A
Subordinated	Baa1	BBB+	A-
Date Last Confirmed	April 2003	March 2003	April 2003
Outlook	Stable	Stable	Stable

Butterfield (UK)'s debt ratings as at 4 February 2004 (being the latest practicable date prior to this announcement) are:

	Fitch
Short-term	F1
Long-term	A-
Subordinated	N/A
Support	1
Date Last Confirmed	December 2003
Outlook	Stable

The Bank of N. T. Butterfield & Son Limited entered the UK private banking market with the acquisition of a specialist private bank in 2001 and has embarked upon a growth strategy based on personal service. The Bank of N. T. Butterfield & Son Limited has a well-established private banking, investment management and trust business in Guernsey.

The Bank of N. T. Butterfield & Son Limited has a proven management team with extensive experience in international and private banking and wealth management and fiduciary services. The Bank of N. T. Butterfield & Son Limited had 1,381 full-time employees as at 31 December 2003 (742 in Bermuda and 639 overseas), of whom 28 are based in the UK and 202 in Guernsey.

8. Management and Employees

Butterfield (UK) has given assurances to the Board of Directors of Leopold Joseph that, upon the Offer becoming or being declared unconditional in all respects, the existing employment rights, including pension rights, of Leopold Joseph's employees will be fully safeguarded.

9. Leopold Joseph Share Option Schemes

The Offer will extend to any Leopold Joseph Shares unconditionally allotted or issued while the Offer remains open for acceptance (or until such earlier date as, subject to the City Code and the consent of the Panel, Butterfield (UK) may decide, being not earlier than the date on which the Offer becomes or is declared unconditional as to acceptances, or if later, the final closing date of the Offer), including those allotted or issued as a result of the exercise of options under the Leopold Joseph Share Option Schemes.

To the extent that options under the Leopold Joseph Share Option Schemes are not so exercised and if the Offer becomes or is declared unconditional in all respects, Butterfield (UK) has confirmed to the Board of Leopold Joseph that appropriate proposals will, in due course, be made to holders of options under the Leopold Joseph Share Option Schemes.

10. Loan Note Alternative

Leopold Joseph Shareholders (other than certain overseas shareholders) who validly accept the Offer will be entitled to elect to receive Loan Notes instead of some or all of the cash consideration which would otherwise be receivable by them under the Offer on the following basis:

for each £1 of cash consideration under the Offer	£1 nominal of Loan Notes
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The Loan Notes will be issued by Butterfield (UK) and will be fully guaranteed by The Bank of N. T. Butterfield & Son Limited as to the principal amount outstanding (but not interest).

The availability of the Loan Note Alternative will be conditional on the Offer becoming or being declared unconditional in all respects and upon a minimum level of elections as referred to below. The Loan Notes will be obligations of Butterfield (UK), and will be issued, credited as fully paid, in amounts and integral multiples of £1 nominal value.

The Loan Notes will bear interest, payable quarterly in arrears on 31 March, 30 June, 30 September and 31 December, at the rate for each interest period calculated to be one half of one per cent. per annum below three month LIBOR. The first interest payment date will be 31 December 2004 in respect of the period from and including the date 14 days after the Offer becomes or is declared unconditional in all respects or if later the date of issue of the relevant Loan Notes.

Loan Noteholders will have the right to redeem all or some (subject to a minimum of £1,000) of their Loan Notes on 30 June 2005 and at quarterly intervals on interest payment dates thereafter. Unless previously redeemed or purchased, the Loan Notes will be redeemed on the fifth anniversary of the date of issue of the Loan Notes. If, at any time following the second anniversary of the date of issue of the Loan Notes, the principal amount of Loan Notes outstanding in connection with the Offer is less than £250,000, Butterfield (UK) shall have the right, on giving not less than 30 days' notice in writing to all Loan Noteholders, to repay all of the outstanding Loan Notes at par together with any accrued interest on any interest payment date.

The Loan Notes will be transferable in amounts and multiples of £1 nominal value. No application is intended to be made for the Loan Notes to be listed or dealt in on any stock exchange or other trading facility.

If valid elections for the Loan Note Alternative have not been received in respect of at least £3,000,000 in nominal value at the time the Offer becomes or is declared unconditional in all respects, no Loan Notes will be issued, unless Butterfield (UK) determines otherwise, in which event all Leopold Joseph Shareholders accepting the Offer will receive cash in accordance with the terms of the Offer. Fractional entitlements to Loan Notes will be disregarded.

A summary of the particulars of the Loan Notes will be contained in the Offer Document.

The Board of Leopold Joseph is making no recommendation to Leopold Joseph shareholders in respect of the Loan Note Alternative. Leopold Joseph Shareholders who are in any doubt as to whether to elect to receive the Loan Note Alternative should immediately consult their stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000.

11. Compulsory Acquisition, De-listing and Re-registration

If the Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Butterfield (UK) intends to apply the provisions of Sections 428 to 430F (inclusive) of the Act to acquire compulsorily any outstanding Leopold Joseph Shares not acquired or agreed to be acquired pursuant to the Offer or otherwise. Subject to the Offer becoming or being declared unconditional in all respects and to Butterfield (UK) becoming entitled to use the procedures referred to above, Butterfield (UK) intends to apply for cancellation of the listing of the Leopold Joseph Shares on the Official List and to re-register Leopold Joseph as a private company under the relevant provisions of the Act. It is anticipated that the cancellation of Leopold Joseph's listing on the Official List will take effect as soon as possible after Butterfield (UK) is entitled to effect compulsory acquisition of the Leopold Joseph Shares but in any event no earlier than 20 business days after the Offer becomes or is declared unconditional in all respects.

12. Interests

Butterfield Trust (Bermuda) Limited, a wholly owned subsidiary of The Bank of N. T. Butterfield & Son Limited, holds 307,680 Leopold Joseph Shares as trustee for The Robin A.E. Herbert Settlement of which the Chairman of Leopold Joseph is the settlor. Save for this interest and the irrevocable undertakings to accept the Offer described in paragraph 4 above, neither The Bank of N. T. Butterfield & Son Limited nor Butterfield (UK) nor any director of The Bank of N. T. Butterfield & Son Limited or Butterfield (UK) nor, so far as the Directors of Butterfield (UK) are aware, any person acting in concert with Butterfield (UK) for the purposes of the Offer, owns or controls or holds an option to purchase, or has any arrangement in relation to Leopold Joseph Shares or any securities convertible or exchangeable into Leopold Joseph Shares or options (including traded options) in respect of, or has entered into any derivative referenced to, any such shares. For these purposes, "arrangement" includes any indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to Leopold Joseph Shares which may be an inducement to deal or refrain from dealing in such shares.

13. General

Certain conditions to which the Offer will be subject are set out in Appendix I to this announcement.

The Offer Document (containing the full terms of the Offer), together with a Form of Acceptance, will be dispatched to Leopold Joseph Shareholders and, for information only, to participants in the Leopold Joseph Share Option Schemes as soon as is practicable.

This announcement is not intended to and does not constitute an offer to sell, or form part of, or constitute the solicitation of an offer to purchase or subscribe for any securities.

Appendix	I	Conditions to the Offer
	II	Definitions

Enquiries:

Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited

Alan Thompson, President & Chief Executive Officer, The Bank of N. T. Butterfield & Son Limited

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Graham Brooks, Executive Vice President, The Bank of N. T. Butterfield & Son Limited

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Paul Turtle, Managing Director, Butterfield (UK)

Tel: 020 7816 8376

ANZ Investment Bank (financial adviser to Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited)

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Robin Herbert

Michael Quicke

Lexicon Partners Limited (financial adviser to Leopold Joseph)

Tel: 020 7653 6000

Charles Outhwaite

Ollie Clayton

The full terms and conditions of the Offer will be set out in the Offer Document and the Form of Acceptance which accompanies it. In deciding whether or not to accept the Offer, Leopold Joseph Shareholders must rely solely on the terms and conditions of the Offer and the information contained, and the procedures described, in the Offer Document and the Form of Acceptance.

The availability of the Offer and/or the Loan Note Alternative to Leopold Joseph Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of other jurisdictions. Such persons should inform themselves about and observe any applicable requirements of those jurisdictions. The Offer will not be made, directly or indirectly, in or into the United States, or by use of the mails of, or by any means or instrumentality (including, without limitation, by means of telephone, facsimile, telex, internet or other forms of electronic communication) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of, the United States, nor will it be made directly or indirectly in or into Canada, Australia or Japan or any such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within the United States, Canada, Australia or Japan or any such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction. Accordingly, copies of this announcement are not being, will not and must not be, in whole or in part, directly or indirectly,

mailed or otherwise forwarded, distributed or sent, in whole or in part, in, into or from, the United States, Canada, Australia or Japan (or any other such jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction). Accordingly, any person (including, without limitation, custodians, nominees and trustees) who may have any contractual or legal obligation to forward any of this announcement, should inform themselves of the relevant securities laws of the relevant jurisdiction before so doing.

Furthermore, the Loan Notes which may be issued pursuant to the Offer have not been, and will not be, registered under the US Securities Act or under any of the relevant securities laws of Canada, Australia or Japan. The Loan Notes which may be issued have not been nor will they be listed on any investment or securities exchange. Accordingly, unless an exemption from the relevant laws is available, the Loan Notes may not be offered, sold, resold, or delivered or transferred, directly or indirectly, in or into the United States, Canada, Australia or Japan or for the account or benefit of persons in such jurisdictions.

ANZ Investment Bank, the investment banking arm of Australia and New Zealand Banking Group Limited, which is regulated by the Financial Services Authority for the conduct of designated investment business in the United Kingdom, is acting exclusively for Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited and for no-one else in connection with the Offer and will not be responsible to anyone other than Butterfield (UK) and The Bank of N. T. Butterfield & Son Limited for providing the protections afforded to clients of ANZ Investment Bank or for providing advice in relation to the Offer.

Lexicon Partners Limited, which is regulated by the Financial Services Authority for the conduct of designated investment business in the United Kingdom, is acting exclusively for Leopold Joseph and for no-one else in connection with the Offer and will not be responsible to anyone other than Leopold Joseph for providing the protections afforded to clients of Lexicon Partners Limited or for providing advice in relation to the Offer.

Certain terms used in this announcement are defined in Appendix II.

Appendix I

Conditions to the Offer

The Offer will be subject to the following conditions:

- (a) valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 3.00 pm on the First Closing Date (or such later time(s) and/or date(s) as Butterfield (UK) may, subject to the rules of the City Code, decide) in respect of not less than 90 per cent. (or such lesser percentage as Butterfield (UK) may decide) in nominal value of the Leopold Joseph Shares to which the Offer relates, provided that this condition will not be satisfied unless Butterfield (UK) shall have acquired or agreed to acquire, directly or indirectly, whether pursuant to the Offer or otherwise, Leopold Joseph Shares carrying, in aggregate, more than 50 per cent. of the voting rights then normally exercisable at general meetings of Leopold Joseph including, for this purpose (to the extent, if any, required by the Panel) any such voting rights attaching to any Leopold Joseph Shares unconditionally allotted or issued fully paid before the Offer becomes or is declared unconditional as to acceptances (whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise);

For the purposes of this condition:

- (i) Leopold Joseph Shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights they will carry upon issue;
 - (ii) the expression "Leopold Joseph Shares to which the Offer relates" shall be construed in accordance with sections 428 to 430F (inclusive) of the Companies Act; and
 - (iii) valid acceptances shall be treated as having been received in respect of any Leopold Joseph Shares which Butterfield (UK) shall have acquired or contracted to acquire otherwise than by virtue of acceptances of the Offer whilst the Offer remains open for acceptance and which, by virtue of section 429(8) of the Companies Act, may be treated as acceptances of the Offer;
- (b) the FSA having notified Butterfield (UK) in writing in terms satisfactory to Butterfield (UK) that it does not object to any person who will, pursuant to the Offer or the proposed acquisition of any shares in, or control of, Leopold Joseph by Butterfield (UK), become a controller of Leopold Joseph for the purposes of the Financial Services and Markets Act 2000;
 - (c) the Bermuda Monetary Authority having issued its approval for the acquisition of Leopold Joseph by Butterfield (UK) pursuant to the Bermuda Monetary Authority (Financial Institutions) (Control) Regulations, 1994;
 - (d) The Guernsey Financial Services Commission having notified Butterfield (UK) in writing in terms satisfactory to Butterfield (UK) that it does not object to any person who will, pursuant to the Offer or the proposed acquisition of any shares in, or control of, Leopold Joseph by Butterfield (UK), become a controller of Leopold Joseph for the purposes of the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Protection of Investors (Bailiwick of Guernsey) Law, 1987 and the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000;
 - (e) no relevant authority having, without the consent or agreement of Butterfield (UK) prior to the date the Offer becomes otherwise unconditional in all respects, decided to take, institute or implement or threatened, and there not continuing to be outstanding, any action, proceeding, suit, investigation, enquiry or reference, and no relevant authority having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision or order in each case which would reasonably be likely to:
 - (i) make the Offer, its implementation or the acquisition by Butterfield (UK) of any Leopold Joseph Shares, or the proposed acquisition of control of any member of the Wider Leopold Joseph Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction or otherwise directly or indirectly materially restrain, restrict, prohibit, delay or otherwise interfere with the implementation of, or impose additional conditions or obligations which are materially adverse with respect to, or otherwise materially challenge, interfere with or require amendment of the Offer, its implementation or the acquisition of any Leopold Joseph Shares or the proposed acquisition of control of any member of the Wider Leopold Joseph Group by Butterfield (UK);
 - (ii) require a divestiture by Butterfield (UK) of any of the shares in Leopold Joseph or any member of the Wider Leopold Joseph Group;
 - (iii) require a divestiture by Butterfield (UK) or by any member of the Wider Leopold Joseph Group, in any such case, of all or any part of their respective businesses, assets or properties or impose any limitation on the ability of any of them to conduct all or any portion of their respective businesses

(or any of them) or to own all or any portion of their respective assets or properties, in each case to an extent which is material in the context of the Wider Leopold Joseph Group taken as a whole;

- (iv) impose any limitation on, or result in a delay in, the ability of Butterfield (UK) to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities (or the equivalent) in any member of the Wider Leopold Joseph Group or on the ability of Butterfield (UK) to hold or to exercise effectively any rights of ownership of shares or other securities in, or to exercise management control over, any member of the Wider Leopold Joseph Group in each case to an extent which is material in the context of the Wider Leopold Joseph Group taken as a whole;
- (v) require Butterfield (UK) or any member of the Wider Leopold Joseph Group to acquire, or offer to acquire, any shares or other securities (or the equivalent) in any member of the Wider Leopold Joseph Group or any asset owned by any third party or to sell, or to offer to sell, any shares or other securities (or the equivalent) in, or any asset owned by, any member of the Wider Leopold Joseph Group or by Butterfield (UK) which, in each case, is material in the context of the Wider Leopold Joseph Group taken as a whole;
- (vi) result in any member of the Wider Leopold Joseph Group ceasing to be able to carry on business under any name which it presently does so where such cessation would have a material adverse effect on the Wider Leopold Joseph Group taken as a whole; or
- (vii) otherwise affect adversely any or all of the business, assets, profits or prospects of Butterfield (UK) or any member of the Wider Leopold Joseph Group in any way which in each case is material in the context of the Wider Leopold Joseph Group taken as a whole;

and all applicable waiting and other time periods (including any extension thereof) during which any relevant authority could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

- (f) all necessary notifications, filings and applications (including such notifications, filings and applications as may be required to national or supranational merger authorities) having been made and all applicable waiting and other time periods (including any extensions thereof) under any applicable legislation and regulations in any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any relevant jurisdiction having been complied with, in each case as may be necessary in connection with the Offer, its implementation or the acquisition by Butterfield (UK) of any shares or other securities (or the equivalent) in, or control of, Leopold Joseph or any member of the Wider Leopold Joseph Group and all authorisations and determinations necessary or reasonably appropriate in any relevant jurisdiction for or in respect of the Offer or its implementation or the acquisition or the proposed acquisition of any shares or other securities (or the equivalent) in, or control of, Leopold Joseph or any member of the Wider Leopold Joseph Group by Butterfield (UK) having been obtained on terms and in a form reasonably satisfactory to Butterfield (UK) from all relevant authorities or persons with whom any member of the Wider Leopold Joseph Group has entered into contractual arrangements and all such authorisations and determinations remaining in full force and effect and there being no notice or intimation of an intention to revoke, suspend, materially adversely restrict, materially adversely modify or not to renew such authorisations and determinations at the time at which the Offer becomes or is declared otherwise wholly unconditional, provided that such authorisations and determinations shall not impose any conditions or require the taking or refraining from taking of any action by Butterfield (UK) or any member of the Wider Leopold Joseph Group which are material in the context of the Wider Leopold Joseph Group taken as a whole;
- (g) except as specifically disclosed in the Accounts, the Interim Accounts or in any public announcement by Leopold Joseph by the delivery of an announcement to a Regulatory Information Service on or prior to 4 February 2004 (such disclosures being hereinafter referred to as being "publicly announced") or as disclosed to Butterfield (UK) or to its advisers by or on behalf of Leopold Joseph on or prior to 4 February 2004 (such disclosures being hereinafter referred to as being "disclosed") there being no provision of any arrangement, agreement, licence, permit, lease, franchise or other instrument to which any member of the Wider Leopold Joseph Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any circumstance which, as a consequence of the Offer or the acquisition or the proposed acquisition by Butterfield (UK) of any shares or other securities (or the equivalent) in Leopold Joseph or because of a change in the control or management of any member of the Leopold Joseph Group or otherwise, could result in (to an extent which is material in the context of the Wider Leopold Joseph Group taken as a whole):
 - (i) any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of or any grant available to any member of the Wider Leopold Joseph Group being or becoming repayable,

or capable of being declared repayable immediately or prior to its or their stated maturity or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being or becoming capable of being withdrawn or inhibited;

- (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Leopold Joseph Group under any such arrangement, agreement, licence, permit, lease, franchise or instrument or the interests or business of any member of the Wider Leopold Joseph Group in or with any other firm or company or body or person (or any agreement or arrangements relating to any such business or interests) being or becoming capable of being terminated or materially adversely modified or affected or any onerous obligation or any liability arising or any adverse action being taken thereunder;
 - (iii) any member of the Wider Leopold Joseph Group ceasing to be able to carry on business under any name under which it presently does so;
 - (iv) any asset, property or interest of, or any asset the use of which is enjoyed by, any member of the Wider Leopold Joseph Group being or falling to be disposed of or charged in any manner howsoever or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Leopold Joseph Group other than in the ordinary course of business;
 - (v) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Leopold Joseph Group or any such mortgage, charge or other security interest (whether existing or having arisen) becoming enforceable or being enforced;
 - (vi) the respective financial or trading position or prospects of, any member of the Wider Leopold Joseph Group being prejudiced or adversely affected;
 - (vii) the creation or assumption of any liability (actual or contingent) by any member of the Wider Leopold Joseph Group which liability is outside the ordinary course of business; or
 - (viii) any member of the Wider Leopold Joseph Group being required to acquire or repay any shares in and/or indebtedness of any member of the Wider Leopold Joseph Group owned by any third party;
and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, lease, franchise or other instrument to which any member of the Wider Leopold Joseph Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject could result, to an extent which is material and adverse in the context of the Wider Leopold Joseph Group taken as a whole, in any of the events or circumstances as are referred to in items (i) to (viii) inclusive of this paragraph;
- (h) since 30 September 2003 and save as publicly announced or disclosed, no member of the Wider Leopold Joseph Group having:-
- (i) issued or agreed to issue or authorised or proposed the issue of additional shares of any class, or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities (save as between Leopold Joseph and wholly-owned subsidiaries of Leopold Joseph and save for the issue of Leopold Joseph Shares on the exercise of options granted under the Leopold Joseph Share Option Schemes);
 - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus in respect of shares, dividend or other distribution whether payable in cash or otherwise (other than to Leopold Joseph or one of its wholly-owned subsidiaries);
 - (iii) (save for transactions between members of the Wider Leopold Joseph Group) made any change in its loan capital or effected or implemented any merger or demerger or acquired, disposed of, transferred, mortgaged, charged or granted security over any body, corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any asset or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so other than in the ordinary course of business which, in any such case, is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (iv) issued, authorised or proposed the issue of any debentures or (save for transactions between members of the Wider Leopold Joseph Group or transactions carried out by members of the Wider Leopold Joseph Group in the ordinary course of business) incurred or increased any indebtedness or become subject to any contingent liability which, in any such case, is material in the context of the Wider Leopold Joseph Group taken as a whole;

- (v) entered into or varied or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a loss-making, long term, unusual or onerous nature or magnitude, or which involves or could be reasonably expected to involve an obligation of such a nature or magnitude which, in any such case, is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (vi) other than as agreed with Butterfield (UK), entered into or varied or made any offer (which remains open for acceptance) to enter into or change the terms of any contract, service agreement or arrangement with any director of Leopold Joseph;
 - (vii) implemented, effected or authorised, proposed or announced its intention to implement, effect, authorise or propose any reconstruction, amalgamation, commitment, scheme or other transaction or arrangement which would be materially restrictive on the business of the Wider Leopold Joseph Group taken as a whole;
 - (viii) purchased, redeemed or repaid or proposed the purchase, redemption or repayment of any of its own shares or other securities (or the equivalent) or reduced or made any other change to any part of its share capital save for transactions between members of the Wider Leopold Joseph Group and for any issue of Leopold Joseph Shares pursuant to the Leopold Joseph Share Option Schemes;
 - (ix) waived or compromised any claim other than in the ordinary course of business where such claim is material to the Wider Leopold Joseph Group taken as a whole;
 - (x) made any material alteration to its memorandum or articles of association or other constitutional documents;
 - (xi) taken or proposed any corporate action or had any legal proceedings instituted or threatened against it for its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, administrative receiver, trustee or similar officer or other encumbrancer of all or any of its assets or revenues or any analogous event, proceedings or steps having occurred in any jurisdiction or had any analogous person appointed;
 - (xii) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (xiii) entered into any contract, commitment, agreement or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to, or authorised or announced any intention to effect or propose, any of the transactions, matters or events referred to in this condition which is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (xiv) made or agreed or consented to any material change to the terms of the trust deeds constituting the pension schemes established for its directors, employees or their dependants or to the benefits which accrue, or to the pensions which are payable, thereunder, or to the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to any change to the trustees including the appointment of a trust corporation;
 - (xv) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Leopold Joseph Group in any case in a manner which is material in the context of the Wider Leopold Joseph Group taken as a whole;
- (i) since 30 September 2003 and save as publicly announced or disclosed:
- (i) there having been no receiver, administrative receiver or other encumbrancer appointed over any part of the assets of any member of the Wider Leopold Joseph Group which in any such case is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (ii) there having been no material adverse change in the business, assets, financial or trading position or profits or prospects of any member of the Wider Leopold Joseph Group which is material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Leopold Joseph Group or to which any member of the Wider Leopold Joseph Group is or could become a party (whether as plaintiff or claimant or defendant or otherwise) and which is

outside the ordinary course of business which, in any such case, is material in the context of the Wider Leopold Joseph Group taken as a whole; or

- (iv) no contingent or other liability having arisen which would reasonably be likely materially and adversely to affect the business, assets, financial or trading position or profits or prospects of any member of the Wider Leopold Joseph Group and which is outside the ordinary course of business and which is material in the context of the Wider Leopold Joseph Group taken as a whole; or
- (j) Butterfield (UK) not having discovered that:
 - (i) any financial, business or other information concerning the Wider Leopold Joseph Group publicly announced or disclosed is misleading in any material respect, contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading in any material respect to an extent which is in any such case material in the context of the Wider Leopold Joseph Group taken as a whole;
 - (ii) any present member of the Wider Leopold Joseph Group is subject to any liability, contingent or otherwise, which is not disclosed in the Accounts or the Interim Accounts and which is outside the ordinary course of business and which is material in the context of the Wider Leopold Joseph Group taken as a whole.

For the purposes of these conditions:

“Accounts” and “Interim Accounts” each have the meanings set out in the definitions section of this document;

“authorisations” means authorisations, orders, grants, recognitions, certifications, confirmations, consents, licences, clearances, exemptions, permissions and approvals;

“relevant authority” means any government, government department or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, court, stock exchange, trade agency, professional association or institution, environmental body or any other person or body whatsoever in any jurisdiction; and

“Wider Leopold Joseph Group” means Leopold Joseph and its subsidiary undertakings, associated companies and any other undertaking or partnership or company in which Leopold Joseph and such undertakings (aggregating their interests) have a substantial interest and the expressions “subsidiary undertaking”, “associated undertaking”, “holding company” and “undertaking” shall have the meaning given by the Companies Act (but for this purpose ignoring paragraph 20(1)(b) of Schedule 4A of the Companies Act) and “substantial interest” means a direct or indirect interest in 20 per cent. or more of the equity share capital (as defined in the Companies Act) of any undertaking.

Butterfield (UK) reserves the right (but shall be under no obligation) to waive all or any of conditions (b) to (j) inclusive, in whole or in part. Conditions (b) to (j) (inclusive), if not waived (where permitted), must be fulfilled or (if capable of being waived) waived, or where appropriate have been determined by Butterfield (UK) to be or remain satisfied within 21 days after the later of the first closing date and the date on which condition (a) is fulfilled (or in each case such later date as the Panel may agree) following which the Offer will lapse. Butterfield (UK) reserves the right, subject to the consent of the Panel, to extend the time allowed under the City Code for satisfaction of condition (a) until such time as conditions (b) to (j) inclusive have been satisfied, fulfilled or waived. Butterfield (UK) shall be under no obligation to waive, to determine to be or treat as fulfilled any of conditions (b) to (j) inclusive by a date earlier than the date specified above for the fulfilment thereof notwithstanding that the other conditions of the Offer may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such conditions may not be capable of fulfilment.

If Butterfield (UK) is required by the Panel to make an offer for Leopold Joseph Shares under the provisions of Rule 9 of the City Code, Butterfield (UK) may make such alterations to the above conditions of the Offer, including condition (a), as are necessary to comply with the provisions of that Rule.

Except with the consent of the Panel, the Offer will lapse if it (or any matter arising therefrom) is referred to the Competition Commission before the later of 3.00 pm on the First Closing Date and the date on which the Offer becomes or is declared unconditional as to acceptances. If the Offer lapses, the Offer will cease to be capable of further acceptance and persons accepting the Offer, ANZ Investment Bank and Butterfield (UK) will cease to be bound by any Form of Acceptance submitted on or before the time when the Offer lapses.

The Leopold Joseph Shares, which are the subject of the Offer, will be acquired fully paid and free from all liens, charges, equities, equitable interests, encumbrances, rights of pre-emption or other third party rights of any nature and together with all rights now and in future attaching thereto, including the right to

receive in full and retain all dividends and other distributions (if any) declared, paid or made on or after 4 February 2004.

Each of conditions (a) to (j) shall be regarded as a separate condition and shall not be limited by reference to any other condition.

The Offer will not be made, directly or indirectly, in or into or from the United States, Canada, Australia or Japan.

The Offer will be subject to the applicable requirements of the City Code. The Offer and any acceptances under the Offer will be governed by English law.

Appendix II

Definitions

The following definitions apply throughout this announcement, unless the context requires otherwise:

“Accounts”	the report and accounts of Leopold Joseph for the financial year ended 31 March 2003
“Act” or “Companies Act”	the Companies Act 1985, as amended
“ANZ Investment Bank”	Australia and New Zealand Banking Group Limited
“Australia”	the Commonwealth of Australia, its states, territories and possessions
“BMA”	The Bermuda Monetary Authority
“BM\$”	Bermuda dollars, which have, since 1981, been fixed at par to the US dollar
“Board of Directors” or “Directors”	the board of directors of Butterfield (UK) or Leopold Joseph (as the case may be)
“business day”	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in the City of London
“Butterfield (UK)”	Bank of Butterfield (UK) plc
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdiction and any political subdivision thereof
“City Code”	The City Code on Takeovers and Mergers
“Closing Price”	the closing middle market price of Leopold Joseph Shares as derived from SEDOL for the relevant date
“Form of Acceptance”	the form of acceptance, election and authority for use in connection with the Offer
“FSA”	the Financial Services Authority
“GFSC”	the Guernsey Financial Services Commission
“Interim Accounts”	the unaudited interim accounts of Leopold Joseph for the six months ended 30 September 2003
“Japan”	Japan, its cities and prefectures, territories and possessions
“Leopold Joseph” or the “Company”	Leopold Joseph Holdings plc
“Leopold Joseph Group” or “Group”	Leopold Joseph and its subsidiaries and subsidiary undertakings from time to time
“Leopold Joseph Share Option Schemes”	the Leopold Joseph Executive Share Option Subscription Scheme, the Leopold Joseph 1996 Executive Share Option Scheme and the Leopold Joseph 1992 Executive Share Option Scheme
“Leopold Joseph Shareholders” or “Shareholders”	holders of Leopold Joseph Shares
“Leopold Joseph Shares”	Ordinary shares of £1 each in the capital of Leopold Joseph
“Loan Note Alternative”	the alternative under which validly accepting Leopold Joseph Shareholders (other than certain overseas shareholders) may exchange all or part of their holding of Leopold Joseph Shares for Loan Notes rather than choosing to receive the cash consideration of 950p in respect of each Leopold Joseph Share under the Offer

“Loan Noteholders”	those Leopold Joseph Shareholders who have chosen to exchange all or part of their holding of Leopold Joseph Shares for Loan Notes and who have subsequently received Loan Notes
“Loan Notes”	guaranteed unsecured floating rate loan notes due 2009 to be issued by Butterfield (UK) pursuant to the Loan Note Alternative
“London Stock Exchange”	London Stock Exchange plc
“Offer”	the recommended offer being made by ANZ Investment Bank on behalf of Butterfield (UK) to acquire the entire issued and to be issued share capital of Leopold Joseph on the terms and subject to the conditions to be set out in full in the Offer Document and the Form of Acceptance (including where the context so requires any subsequent revision, variation, extension or renewal thereof)
“Offer Document”	the offer document detailing the terms of and conditions to the Offer to be sent to Leopold Joseph Shareholders and, for information only, to participants in the Leopold Joseph Share Option Schemes
“Offer Price”	the price of 950p per Leopold Joseph Share to be paid pursuant to the Offer
“Official List”	the Official List of the UK Listing Authority
“Panel”	the Panel on Takeovers and Mergers
“Regulatory Information Service”	any of the services set out in Schedule 12 to the Listing Rules
“SEDOL”	the Stock Exchange Daily Official List published by the London Stock Exchange
“The Bank of N. T. Butterfield & Son Limited”	The Bank of N. T. Butterfield & Son Limited and, where the context so requires, its subsidiaries and subsidiary undertakings
“three month LIBOR”	the rate per annum which is the offered rate for sterling on page 3750 of the Telerate screen which displays British Bankers Association interest settlement rates for deposits in sterling
“UK Listing Authority”	the Financial Services Authority acting in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia, and all other areas subject to its jurisdiction

The terms “subsidiary” and “subsidiary undertakings” as used in these definitions shall have the meanings given by the Companies Act.

All references to legislation in this announcement are to English legislation, unless the contrary is indicated. Any reference to any provision of any legislation should include any amendment, modification, re-enactment or extension thereof.

The singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.