

Laurentian Bank of Canada Announces the Completion of its Acquisition of Northpoint Commercial Finance

Acquisition Highlights

- Broadens equipment financing offering to serve North American customers looking for comprehensive financing solutions
- Expands customer base to create new cross-selling opportunities
- Strengthens the Bank's position as a major player in the equipment financing sector

MONTREAL, QUEBEC--(Marketwired - Aug. 14, 2017) - Laurentian Bank of Canada (TSX:LB) ("Laurentian Bank" or "the Bank") announced today that it has completed, through its wholly-owned subsidiary LBC Capital Inc., the acquisition of a leading US and Canadian inventory finance lender, Northpoint Commercial Finance, with approximately CAD \$1.1 billion of assets, which acquisition was previously announced on May 18, 2017. "Today marks an important milestone in our commitment to support our business customers across Canada and the US," said Stéphane Therrien, Executive Vice President, Personal and Commercial Banking at Laurentian Bank. "This transaction enriches our existing equipment financing activities, adds talented employees and their expertise to our team, and enhances our line of products and services creating a comprehensive equipment financing platform. In addition, we are welcoming thousands of new customers to Laurentian Bank, customers who will provide new growth opportunities for the Bank in the years to come", added Mr. Therrien. As a result of the closing of the acquisition, the Bank's 4,171,000 subscription receipts issued to the public on May 26, 2017, as well as the 483,560 subscription receipts issued on May 26, 2017, on a private placement basis were, in accordance with their terms, automatically settled on a one-for-one basis for common shares of the Bank. The Bank expects that the subscription receipts issued to the public will be halted from trading on the Toronto Stock Exchange before markets open today and de-listed after markets close today. Holders of subscription receipts are also entitled to receive a cash amount for each subscription receipt equivalent to the dividend of CAD \$0.62 paid by the Bank on each common share on August 1, 2017, less any applicable withholding taxes.

About Laurentian Bank

Laurentian Bank of Canada is a financial institution whose activities mainly extend across Canada. Founded in 1846, its mission is to help customers improve their financial health and it is guided by values of proximity, simplicity and honesty. The Bank serves one and a half million clients throughout the country and employs more than 3,600 individuals, which makes it a major player in numerous market segments. The Bank caters to the needs of retail clients via its branch network based in Quebec. The Bank also stands out for its know-how among small and medium-sized enterprises and real estate developers owing to its specialized teams across Canada. Its subsidiary B2B Bank is, for its part, one of the major Canadian leaders in providing banking products and services and investment accounts through financial advisors and brokers. Laurentian Bank Securities offers integrated brokerage services to a clientele of institutional and retail investors. The Bank has more than \$45 billion in balance sheet assets and more than \$32 billion in assets under administration.

Caution Regarding Forward-Looking Statements

In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements include, but are not limited to, statements regarding the Bank's business plan and financial objectives. The forward-looking statements contained in this document are used to assist readers in obtaining a better understanding of the Bank's financial position and the results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes. Forward-looking statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology. Some of the specific forward-looking statements in this document include,

but are not limited to, anticipated benefits of the acquisition, including the expected impact on the Bank's activities; the retention of Northpoint Commercial Finance management and employees, and the strategic fit of the acquisition. By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although the Bank believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Certain important assumptions by the Bank in making forward-looking statements include, but are not limited to: the maintenance of the Bank's Basel III Common Equity Tier 1 ratio; the Bank's ability to execute its transformation plan and strategy; the successful and timely integration of the Bank and Northpoint Commercial Finance and the realization of the anticipated benefits and synergies of the acquisition in the timeframe anticipated, including impact and accretion in various financial metrics; the ability to retain management and key employees of Northpoint Commercial Finance; desired attributes of an equipment finance platform; the ability of the Bank to access the capital markets; the absence of significant undisclosed costs or liabilities associated with the acquisition; the absence of significant changes in foreign currency exchange rates or significant variability in interest rates; the ability to hedge exposures to fluctuations in interest rates and foreign exchange rates; the expectation of regulatory stability; no downturn in economic conditions; sufficient liquidity and capital resources; no material changes in competition, market conditions or in government monetary, fiscal and economic policies; and the maintenance of credit ratings. The Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors. Among other things, these factors include: potential undisclosed costs or liabilities associated with the acquisition; historical and pro forma consolidated financial information may not be representative of future performance; reputational risks and the reaction of the Bank's and Northpoint Commercial Finance's personnel and customers to the transaction; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the acquisition; factors relating to the integration of the Bank and Northpoint Commercial Finance, diversion of management time and unanticipated costs of integration; the Bank's limited experience in the U.S. market and in inventory financing; difficulties in the operation of the Bank's transformation plan and in particular the reorganization of retail branches, the modernization of the core banking system and adoption of the Advanced Internal Ratings-Based approach to credit risk; exchange rate risk; foreign currency exposure risk; changes in capital market conditions, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, changes in competition, adverse modifications to credit ratings, scarcity of human resources, and developments in the technological environment. The Bank further cautions that the foregoing list of factors is not exhaustive. For more information on the risks, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Management's Discussion and Analysis under the title "Risk Appetite and Risk Management Framework" in the Bank's Annual Report, as well as to other public filings available at www.sedar.com. The Bank does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations.

Contact Information:

Susan Cohen Director, Investor Relations Laurentian Bank 514 284-4500, ext. 4926
susan.cohen@laurentianbank.ca Helene Soulard Assistant Vice President, Communications Executive
Office Laurentian Bank 514 284-4500, ext. 8232 helene.soulard@laurentianbank.ca

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