Laurentian Bank Financial Group reports 2019 results

The financial information reported herein is based on the condensed interim consolidated (unaudited) information for the threemonth period ended October 31, 2019, and on the audited annual consolidated financial statements for the year ended October 31, 2019, and has been prepared in accordance with International Financial Reporting standards (IFRS), as issued by the International Accounting Standards Board (IASB). All amounts are denominated in Canadian dollars. The Laurentian Bank of Canada and its entities are collectively referred to as Laurentian Bank Financial Group (the "Group" or the "Bank") and provide deposit, investment, loan, securities, trust and other products or services. The Bank's 2019 Annual Report (which includes the Audited Consolidated Financial Statements and accompanying Management's Discussion & Analysis) will be available today on the Laurentian Bank Financial Group's website at www.lbcfg.ca and on SEDAR at www.sedar.com.

François Desjardins, President and Chief Executive Officer, commented on the 2019 results: "During 2019, we moved ahead with several strategic initiatives: we changed our main banking system, we converted our branches to focus 100% on financial advice and we launched digital products to meet everyday personal banking needs across Canada. All customers are now able to open, with straight through, on-the-spot processing, chequing, high interest savings and GIC accounts, using their mobile devices." "The most significant event of the year was the establishment of a new labour relations environment. The team worked through difficult and costly union negotiations with resolve which resulted in a redefined bargaining unit and the ratification of a new collective agreement. This is a strategic foundational change because there is nothing more strategic than a culture of performance." M. Desjardins concluded: "Transformation continues, but the heavy lifting is coming to an end. As we look forward, 2020 will be the year when we complete major initiatives and focus on growth so that we are well-positioned to achieve our medium-term objectives. 2020 will also set the stage for 2021 - our 175th anniversary - and the beginning of a new era for LBCFG." Highlights of 2019 Total revenue, \$968.5 million, down by 7% year-over-year. Adjusted net income (1) of \$193.2 million, down by 20% year-overyear, and reported net income of \$172.7 million, down by 23% year-overyear. Adjusted return on common shareholders' equity (1) of 7.9%. Return on common shareholders' equity of 7.0%. Adjusted efficiency ratio (1) of 72.3% and reported efficiency ratio of 75.0%. Net interest margin up 3 basis points year-over-year. Common Equity Tier 1 (CET1) capital ratio at 9.0%. Ratification of the new collective agreement. Highlights of fourth quarter 2019 Adjusted net income (1) of \$48.0 million, and reported net income of \$41.3 million. Adjusted return on common shareholders' equity (1) of 7.8%, and reported return on common shareholders' equity of 6.6%. Adjusted efficiency ratio (1) of 71.2%, and reported efficiency ratio of 74.8%. Common Equity Tier 1 ratio at 9.0%. Launch of our digital offering. For the three months ended For the year ended In millions of Canadian dollars, except per share and percentage amounts (Unaudited) October 31 2019 October 31 2018 Variance October 31 2019 October 31 2018 Variance Reported basis Net income \$41.3 \$50.8 (19)% \$172.7 \$224.6 (23)% Diluted earnings per share \$ 0.90 \$ 1.13 (20)% \$ 3.77 \$ 5.10 (26)% Return on common shareholders' equity 6.6% 8.4% 7.0% 9.7% Efficiency ratio 74.8% 69.0% 75.0% 68.7% Common Equity Tier 1 capital ratio 9.0% 9.0% Adjusted basis (1) Adjusted net income \$ 48.0 \$ 54.3 (12)% \$ 193.2 \$ 241.6 (20)% Adjusted diluted earnings per share \$ 1.05 \$ 1.22 (14)% \$ 4.26 \$ 5.51 (23)% Adjusted return on common shareholders' equity 7.8% 9.0% 7.9% 10.5% Adjusted efficiency ratio 71.2% 67.2% 72.3% 66.7% (1) Certain measures presented throughout this document exclude amounts designated as adjusting items and are Non-GAAP measures. Refer to the NonGAAP Measures section for further details. MONTREAL, Dec. 04, 2019 (GLOBE NEWSWIRE) -- Laurentian Bank Financial Group reported net income of \$41.3 million and diluted earnings per share of \$0.90 for the fourth quarter of 2019, compared with \$50.8 million and \$1.13 for the fourth quarter of 2018. Return on common shareholders' equity was 6.6% for the fourth quarter of 2019, compared with 8.4% for the fourth quarter of 2018. On an adjusted basis, net income was \$48.0 million and diluted earnings per share were \$1.05 for the fourth quarter of 2019, down 12% and 14% respectively, compared with \$54.3 million and \$1.22 for the fourth guarter of 2018. Adjusted return on common shareholders' equity was 7.8% for the fourth quarter of 2019, compared with 9.0% a year ago. Reported results include adjusting items, as detailed in the Non-GAAP and Key Performance Measures section. For the year ended October 31, 2019, net income was \$172.7 million and diluted earnings per share were \$3.77, compared with \$224.6 million and \$5.10 for the year ended October 31, 2018. Return on common shareholders' equity was 7.0% for the year ended October 31, 2019, compared with 9.7% for the year ended October 31, 2018. On an adjusted basis, net income was \$193.2 million and diluted

earnings per share were \$4.26 for the year ended October 31, 2019, down 20% and 23% respectively, compared with \$241.6 million and \$5.51 for the year ended October 31, 2018. Adjusted return on common shareholders' equity was 7.9% for the year ended October 31, 2019, compared with 10.5% for the same period a year ago. Reported results include adjusting items, as detailed in the Non-GAAP and Key Performance Measures section. Highlights For the three months ended For the year ended As at or for the periods presented (Thousands of Canadian dollars, except when noted) October 31 2019 July 31 2019 Variance October 31 2018 Variance October 31 2019 October 31 2018 Variance Operating results Total revenue \$241,638 \$244,653 (1)% \$255,857 (6)% \$968,510 \$1,043,410 (7)% Net income \$ 41,343 \$ 47,798 (14)% \$ 50,801 (19)% \$172,710 \$ 224,646 (23)% Adjusted net income (1) \$ 47,966 \$ 51,882 (8)% \$ 54,344 (12)% \$193,227 \$ 241,560 (20)% Operating performance Diluted earnings per share \$ 0.90 \$ 1.05 (14)% \$ 1.13 (20)% \$ 3.77 \$ 5.10 (26)% Adjusted diluted earnings per share (1) \$ 1.05 \$ 1.15 (9)% \$ 1.22 (14)% \$ 4.26 \$ 5.51 (23)% Return on common shareholders' equity 6.6% 7.8% 8.4% 7.0% 9.7% Adjusted return on common shareholders' equity (1) 7.8% 8.5% 9.0% 7.9% 10.5% Net interest margin 1.84% 1.85% 1.77% 1.81% 1.78% Efficiency ratio 74.8% 72.7% 69.0% 75.0% 68.7% Adjusted efficiency ratio (1) 71.2% 70.6% 67.2% 72.3% 66.7% Operating leverage (2.9)% 4.9% 3.9% (8.5)% 0.7% Adjusted operating leverage (1) (0.9)% 4.0% 3.4% (7.8)% (0.9)% Financial position (\$ millions) Loans and acceptances \$ 33,667 \$ 33,887 (1)% \$ 34,395 (2)% Total assets \$ 44,353 \$ 44,337 2,303 \$ 2,293 —% \$ 2,260 2% Key growth drivers (\$ millions) Loans to business customers \$ 12,966 \$ 12,868 1% \$ 12,036 8% Loans to personal customers (2) \$ 20,700 \$ 21,019 (2)% \$ 22,359 (7)% Deposits from clients (3) \$ 22,518 \$ 22,881 (2)% \$ 24,410 (8)% Basel III regulatory capital ratios Common Equity Tier 1 (CET1) capital ratio (4) 9.0% 9.0% 9.0% CET1 risk-weighted assets (\$ millions) \$ 20,407 \$ 20,445 \$ 20,239 Credit quality Gross impaired loans as a % of loans and acceptances 0.52% 0.59% 0.53% Net impaired loans as a % of loans and acceptances 0.40% 0.45% 0.42% Provision for credit losses as a % of average loans and acceptances 0.15% 0.14% 0.20% 0.13% 0.12% Common share information Closing share price(5) \$ 45.30 \$ 45.41 —% \$ 41.56 9% \$ 45.30 \$ 41.56 9% Price / earnings ratio (trailing four quarters) 12.0x 11.3x 8.1x 12.0x 8.1x Book value per share \$54.02 \$54.00 -% \$ 53.72 1% \$ 54.02 \$ 53.72 1% Dividends declared per share \$ 0.66 \$ 0.66 -% \$ 0.64 3% \$ 2.62 \$ 2.54 3% Dividend yield 5.8% 5.8% 6.2% 5.8% 6.1% Dividend payout ratio 73.5% 62.7% 56.5% 69.3% 49.6% Adjusted dividend payout ratio (1) 62.6% 57.4% 52.6% 61.4% 45.9% Other information Number of full-time equivalent employees 3,256 3,318 3,642 Number of Financial Clinics 88 88 96 Number of automated banking machines (6) 197 206 222 (1) Refer to the Non-GAAP Measures section. (2) Including loans to personal customers and residential mortgage loans. (3) Including personal deposits from Financial Clinics, Advisors and Brokers, Digital direct to customers offering and Business customers. (4) Using the Standardized Approach in determining credit risk and operational risk. (5) Toronto Stock Exchange (TSX) closing market price. (6) Through the Bank's partnership with THE EXCHANGE® Network, customers have access to more than 3,600 automated banking machines in Canada. Medium-Term Performance Targets The following table shows the medium-term performance targets for the Bank and the Bank's performance for 2019. Considering the key achievements of 2019 with regard to the core banking system, the transition of all our traditional branches into 100% Advice Financial Clinics, the launch of our digital offering and the ratification of the new collective agreement, we remain confident that we can achieve our targets. However, given 2019's labor relations environment and the impact on the current year performance as described below, we are delaying them by one year to 2022. In addition, growth drivers were adjusted to reflect our new business segmentation. These medium-term performance targets depend on a number of assumptions, as detailed in our 2019 Annual Report under the heading "Outlook". 2021 MEDIUM-TERM PERFORMANCE TARGETS AND 2019 PERFORMANCE (Billions of Canadian dollars, except per share and percentage amounts) 2021 Midterm Targets (1) 2019 2018 Variance 2019/2018 Adjusted financial performance(2) Adjusted return on common shareholders' equity Narrow gap to 250 bps (3) 7.9% 10.5% Current gap at 790 bps Adjusted efficiency ratio <63% 72.3% 66.7% 5.6% Adjusted diluted earnings per share Grow by 5% to 10% annually \$4.26 \$5.51 (23)% Adjusted operating leverage Positive (7.8)% (0.9)% n.m. Key growth drivers Loans to Business customers Grow to \$16.0B \$ 13.0 \$ 12.0 8% Residential mortgage loans Grow to \$19.0B \$ 16.0 \$ 17.0 (6)% Deposits from clients (4) Grow to \$28.0B \$ 22.5 \$ 24.4 (8)% (1) Mid-term targets, as set out in the 2018 Annual Report. (2) The 2021 financial objectives are based on non-GAAP measures that exclude adjusting items related to restructuring plans and to business combinations. Refer to the Non-GAAP and Key Performance Measures section. (3) Compared to the major Canadian banks, based on the Bank using the AIRB approach in determining credit risk and the Standardized approach in determining operational risk. The current gap is based on the average of major Canadian banks for the nine months ended July 31, 2019. (4) Including deposits from Financial Clinics, Advisors and Brokers and Business customers. 2019 Performance Throughout the year, as we advanced on our strategic initiatives, we maintained an elevated capital position. In addition, during the first half of the year, we incurred significant costs to mitigate risks associated with a possible labour conflict, including from holding a higher level of liquidity as well as from additional legal and labor related expenses. The uncertainty related to our labour relations environment hampered business development activities and

postponed process efficiency measures. The signature of the new collective agreement now provides us with the right conditions to resume growth in the Personal segment. Our Business Services segment, on the other hand, posted another strong performance. Our solid expertise and relationships in Real Estate Financing, Commercial Banking and Equipment and Inventory Financing are yielding results. Loans to Business customers increased by 8%, or 9% adjusting for the sale of a \$105 million loan portfolio in the first quarter of 2019, generally in line with the objective we had set last year. This strong growth contributed positively to earnings. At the same time, revenues from our Institutional segment were impacted by the unstable market environment. As a result, profitability metrics for 2019 were impacted. Adjusted return on common shareholders' equity was 7.9% in 2019 compared with 10.5% in fiscal 2018, and the ROE gap relative to the major Canadian banks widened. The adjusted efficiency ratio of 72.3% for 2019 increased compared to the 2018 level given lower revenues and, to a lesser extent, additional operating costs. Adjusted diluted earnings per share of \$4.26 for 2019 was down 23% year-over-year, essentially for the same reasons as noted above. 2022 MEDIUM-TERM PERFORMANCE TARGETS (Billions of Canadian dollars, except per share and percentage amounts) 2022 Mid-term Targets 2019 Adjusted financial performance(1) Adjusted return on common shareholders' equity Narrow gap to 250 bps(2) 7.9% Adjusted efficiency ratio <63% 72.3% Adjusted diluted earnings per share Grow by 5% to 10% annually \$ 4.26 Adjusted operating leverage Positive (7.8)% Key growth drivers Loans to Business customers Grow to \$17.5 B \$ 13.0 Loans to Personal customers (3) Grow to \$22.5 B \$ 20.7 Deposits from clients (4) Grow to \$26.0 B \$ 22.5 (1) The 2022 financial objectives are based on non-GAAP measures that exclude adjusting items related to restructuring plans and to business combinations. Refer to the Non-GAAP and Key Performance Measures section. (2) Compared to the major Canadian banks, based on the Bank using the AIRB approach in determining credit risk and the Standardized approach in determining operational risk. (3) Including personal loans and residential mortgage loans. (4) Including personal deposits from Financial Clinics, Advisors and Brokers, Digital direct to customers offering and Business customers. New Medium-Term Targets Performance Targets As shown in the Table above, the ROE objective remains to narrow the gap with the major banks to 250 bps in 2022. As we plan to adopt the AIRB approach to credit risk in 2022, this gap reflects the initial benefit of gradually redeploying capital. We are also targeting an efficiency ratio of below 63% in 2022 versus last year's plan in 2021, and we are continuing to aim for positive operating leverage. Lastly, we are working toward an adjusted diluted earnings per share growth objective, over the medium-term, of 5% to 10% annually. We remain as committed as ever to execute our strategic plan and work toward our ultimate goal - to improve the Bank's performance and achieve a profitability level similar to that of the major Canadian banks. Growth Targets Business Services is expected to continue its profitable growth. As shown in the Table above, loans to Business customers are now projected to reach \$17.5 billion in 2022. This reflects our decision to evolve the portfolio toward higher-yielding loans to Business customers and the opportunities that we have as we leverage our investments. This represents a future annual growth of 10% over the next 3 years. Furthermore, in regards to our new Personal segment and in line with our objective to resume growth in personal loans and mortgages, we are introducing a target for growth in loans to Personal customers at \$22.5 billion in 2022. Lastly, we are reviewing our objective for growth in deposits from clients to \$26.0 billion in 2022. Strategic Plan In November 2015, we launched a 7-year plan focused on becoming a better and different bank to address advancements in technology, globalization of banking and better meet our customers' needs. To achieve this, we outlined three strategic objectives: Build a stronger foundation; Invest in profitable growth; and Improve financial performance. We strive to execute on these strategic objectives with our ultimate goal - to improve the Bank's performance and achieve a profitability level similar to that of the major Canadian banks once the AIRB approach is fully implemented. In that regard, 2019 remained a year of investments in our people, processes and technology. Throughout the year, we made important progress on our key initiatives, as detailed below. We also executed on our business plan by delivering strong profitable growth in equipment and inventory financing activities, as well as in real estate financing. We will continue to grow these segments to improve the Bank's profitability and diversification. New Collective Agreement At the beginning of the year, to move the strategic plan forward and improve the labour relations environment for the long term, we prioritize resources to resolve the collective agreement situation. From our perspective, this became an prerequisite to improve our ability to serve customers and implement process efficiencies. The signature of a new collective agreement in March 2019, along with the change in composition of the collective bargaining unit, which is now covering Quebec-based-customer-facing positions almost exclusively, strengthens our foundation and is expected to improve the Bank's financial performance. In late April, we also began to optimize certain back-office, credit and collection functions which mainly support Financial Clinics. Concurrently, we entered into certain outsourcing arrangements to generate efficiencies. In the third quarter of 2019, we reduced our liquidity levels, reduced legal expenses and other labour related costs and re-tasked team members to revenue generating priorities. We previously indicated that on an annual basis, carrying the right level of liquidity would improve net interest income by \$7.0 million and reducing legal and labor related expenses would reduce non-interest expenses by \$3 million. These items were realized during the second half of 2019. Update on key initiatives Core-banking system The Bank is well advanced in its multi-year plan to replace its core-banking system. The new

account management platform provides the necessary tools to improve our product offering and advance our transformation to digital banking. During the transition period, we are running concurrent platforms for our core-banking systems. The program began in 2016 with the first product and account migrations occurring in November 2017 and September 2018 for our investment loan portfolio and for deposit products sourced through the Advisors and Brokers channel, respectively. The remaining products from the adviser and broker channel and most Business Services loans were migrated onto the new platform at the outset of 2019, marking the conclusion of Phase 1 of the program. Phase 2 of the program will encompass all accounts and products from our Financial Clinics, as well as the few remaining Business Services products. The target for completion of Phase 2 is December 2020, at which time, 100% of all products will have been migrated from the old banking platform to our new core banking platform. From this point on, we will be able to start decommissioning the legacy system. The total program cost is expected to reach approximately \$200 million, relatively in line with initial estimates. As we have completed Phase 1, which encompasses the foundation for most of the Bank's operations, approximately \$180 million has been invested. Transition of Financial Clinic operations and efficiency measures At the beginning of fiscal year 2016, we announced our strategic plan, which included optimizing and simplifying our branch network in Quebec. This strategy led us to complete, in September 2019, the transition of all our traditional branches into 100% Advice Financial Clinics, where clients obtain financial advice. For basic transactions, such as bill payments, deposits, withdrawals and fund transfers, customers have 24/7 access to electronic and web-base platforms. The shift to this new approach has been carefully planned with all our customers to ensure a smooth transition to our new model. With this milestone behind us, our Financial Clinics in Quebec are starting a new and promising phase that will be driven by growth. Staff are engaged to succeed in the pursuit of our mission to help our customers improve their financial health. At the end of February 2019, we announced measures to further lower costs, including headcount reductions through attrition, early retirement and targeted job reductions. As we converted our traditional branches to Financial Clinics and from the optimization of certain back-office functions, we achieved the majority of the expected cost reductions. The remaining synergies and cost reductions are expected to be gradually delivered through the end of the first half of 2020. Once fully implemented, these measures are expected to generate total savings between \$15 to \$20 million on an annual basis. Digital offering Once we completed Phase 1 of the implementation of our core-banking system in January 2019, we focused on the development of our new Digital direct to customers offering. This new offering was gradually launched to advisors and brokers in the fourth quarter of 2019. Furthermore, at the beginning of fiscal 2020, we launched a Digital direct to customers offering under the LBC Digital brand. In the coming year, we plan to further enhance our customer experience by adding functionalities, transactions and products to the offering. Advanced Internal Rating-Based approach to credit risk As part of our plan to improve the Bank's foundation, we are pursuing our initiative to adopt the AIRB approach to credit risk. Once fully implemented, it will enable the Bank to optimize regulatory capital, improve profitability and provide a level playing field for credit underwriting activities, as the Bank will be able to calculate its capital requirements on the same basis as its industry peers. In late 2013, the Bank made the decision to suspend its AIRB development and implementation due to the uncertainty regarding the AIRB approach at the international level. However, several AIRB adoption building blocks were integrated into the Bank's operations and systems and are contributing to enhance the Bank's processes. Given positive indications, the Bank renewed its commitment to pursuing the AIRB project in early 2016 and defined a comprehensive program to realize the remaining steps toward the adoption of the AIRB approach. The Bank's objective is, subject to regulatory approval, to obtain the AIRB accreditation in 2022. Total AIRB program cost is expected to reach \$105 million, of which approximately \$76 million has been invested to date. Consolidated Results Non-GAAP measures Management uses both generally accepted accounting principles (GAAP) and non-GAAP measures to assess the Bank's performance. Results prepared in accordance with GAAP are referred to as "reported" results. Non-GAAP measures presented throughout this document are referred to as "adjusted" measures and exclude amounts designated as adjusting items. Adjusting items relate to restructuring plans and to business combinations and have been designated as such as management does not believe they are indicative of underlying business performance. NonGAAP measures are considered useful to readers in obtaining a better understanding of how management analyzes the Bank's results and in assessing underlying business performance and related trends. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are unlikely to be comparable to any similar measures presented by other issuers. The following table shows adjusting items and their impact on reported results. IMPACT OF ADJUSTING ITEMS ON REPORTED RESULTS For the three months ended For the year ended In thousands of Canadian dollars, except per share amounts (Unaudited) October 31 2019 July 31 2019 October 31 2018 October 31 2019 October 31 2018 Impact on income before income taxes Reported income before income taxes \$ 47,926 \$ 54,359 \$ 61,325 \$ 196,165 \$ 280,333 Adjusting items, before income taxes Impairment and restructuring charges (1) Severance charges 1,735 972 925 6,474 925 Other restructuring charges 3,696 830 107 6,205 5,019 5,431 1,802 1,032 12,679 5,944 Items related to business combinations Amortization of net premium on purchased financial instruments (2) 284 336 495 1,452 2,296 Amortization of acquisition-related intangible assets (3) 3,416 3,426 3,366 13,711 12,705 Other costs

related to business combinations (4) — — — 2,357 3,700 3,762 3,861 15,163 17,358 9,131 5,564 4,893 27,842 23,302 Adjusted income before income taxes \$ 57,057 \$ 59,923 \$ 66,218 \$ 224,007 \$ 303,635 Impact on net income Reported net income \$ 41,343 \$ 47,798 \$ 50,801 \$ 172,710 \$ 224,646 Adjusting items, net of income taxes Impairment and restructuring charges (1) Severance charges 1,274 713 678 4,752 678 Other restructuring charges 2,712 610 78 4,554 3,679 3,986 1,323 756 9,306 4,357 Items related to business combinations Amortization of net premium on purchased financial instruments (2) 209 247 364 1,067 1,688 Amortization of acquisition-related intangible assets (3) 2,428 2,514 2,423 10,144 9,143 Other costs related to business combinations (4) — — — 1,726 2,637 2,761 2,787 11,211 12,557 6,623 4,084 3,543 20,517 16,914 Adjusted net income \$ 47,966 \$ 51,882 \$ 54,344 \$ 193,227 \$ 241,560 Impact on diluted earnings per share Reported diluted earnings per share \$ 0.90 \$ 1.05 \$ 1.13 \$ 3.77 \$ 5.10 Adjusting items Impairment and restructuring charges 0.09 0.03 0.02 0.22 0.11 Items related to business combinations 0.06 0.07 0.07 0.27 0.30 0.15 0.10 0.08 0.49 0.41 Adjusted diluted earnings per share (5) \$ 1.05 \$ 1.15 \$ 1.22 \$ 4.26 \$ 5.51 (1) Restructuring charges mainly result from the optimization of our Financial Clinic operations and the related streamlining of certain back-office and corporate functions. Restructuring charges also result from the reorganization of retail brokerage activities and other measures aimed at improving efficiency as detailed in the Efficiency measure topic in the "Outlook" section. Restructuring charges include severance charges, salaries, provisions related to the termination of lease contracts, communication expenses and professional fees. Restructuring charges are included on the Non-interest expenses line item. For the year ended October 31, 2019, severance charges are presented net of a \$4.8 million curtailment gain on pension plans and other postemployment benefits obligations, as well as of reversals of provisions amounting to \$3.5 million. (2) Amortization of net premium on purchased financial instruments results from a one-time gain on a business acquisition in 2012 and is included on the Amortization of net premium on purchased financial instruments line item. (3) Amortization of acquisition-related intangible assets results from business acquisitions in 2016 and 2017 and is included on the Non-interest expenses lineitem. (4) Other costs related to business combinations result from the transaction and integration of business acquisitions in 2016 and are included on the Noninterest expenses line item. (5) The impact of adjusting items on a per share basis may not add due to rounding. Three months ended October 31, 2019 compared with three months ended October 31, 2018 Net income was \$41.3 million or \$0.90 diluted per share for the fourth quarter of 2019, compared with \$50.8 million or \$1.13 diluted per share for the fourth quarter of 2018. Adjusted net income was \$48.0 million for the fourth quarter of 2019, down 12% from \$54.3 million for the fourth quarter of 2018, while adjusted diluted earnings per share was \$1.05, down 14% compared with \$1.22 for the fourth guarter of 2018. The decrease in earnings per share for the fourth guarter of 2019 is further detailed below. Total revenue Total revenue decreased by \$14.2 million or 6% to \$241.6 million for the fourth quarter of 2019 from \$255.9 million for the fourth quarter of 2018. This decrease was driven by lower other income. Net interest income was \$173.2 million for the fourth quarter of 2019, which is in line with the fourth guarter of 2018. Net interest margin as a percentage of average earning assets stood at 1.84% for the fourth quarter of 2019, an increase of 7 basis points compared with the fourth quarter of 2018, due to the combined effect of an improving loan portfolio mix, a reduction in liquidity and an improvement in the Prime/BA spread. Other income decreased by \$14.3 million to \$68.4 million for the fourth quarter of 2019, compared with \$82.7 million for the fourth quarter of 2018. Other income for the fourth quarter of 2019 was impacted by lower capital market related revenues, including a \$3.8 million loss resulting from a revaluation of trading securities, whereas other income for the fourth quarter of 2018 included gains of \$4.9 million on available-for-sale securities, no longer available as a result of the adoption of IFRS 9 which eliminates gains on available-for-sale equity securities in other income and drove changes to our portfolios' compositions. Fees and commissions on loans and deposits which include lending fees, service charges and card service revenues, also decreased by \$3.0 million, mainly as a result of lower lending fees given the evolving mix towards commercial loans favoring higher margins. Amortization of net premium on purchased financial instruments For the fourth quarter of 2019, amortization of net premium on purchased financial instruments amounted to \$0.3 million compared with \$0.5 million for the fourth quarter of 2018. Refer to the Consolidated Financial Statements for additional information. Provision for credit losses The provision for credit losses amounted to \$12.6 million for the fourth quarter of 2019 compared with \$17.6 million for the fourth quarter of 2018. Credit losses for the fourth quarter of 2018 were impacted by a \$10.0 million loss on a single syndicated commercial exposure. Credit losses for the fourth quarter of 2019 were impacted, in part, by higher losses on personal loans. The overall level of losses remains low and is commensurate with the gradual increase in higher margin loans. Non-interest expenses Non-interest expenses amounted to \$180.8 million for the fourth quarter of 2019, an increase of \$4.4 million compared with the fourth quarter of 2018. Adjusted non-interest expenses of \$172.0 million for the fourth quarter of 2019 were relatively unchanged compared to the fourth guarter of 2018. Salaries and employee benefits decreased by \$3.0 million or 3% to \$84.8 million for the fourth quarter of 2019, compared with the fourth quarter of 2018, mainly due to lower performance-based compensation, a favourable adjustment to pension costs and lower headcount. Premises and technology costs increased by \$0.7 million or 1% to \$49.0 million for the fourth quarter of 2019 compared with the fourth guarter of 2018, mainly as a result of higher technology costs and higher

amortization expense for the completed Phase 1 of the core-banking system program, partly offset by lower rent expenses. Other non-interest expenses amounted to \$41.6 million for the fourth quarter of 2019, an increase of \$2.4 million or 6% compared with the fourth guarter of 2018. This increase was mainly due to higher advertising and business development expenses as we developed our strategy to support the launch of our new digital offering. Restructuring charges amounted to \$5.4 million for the fourth guarter of 2019 and mainly included expenses for the optimization of the Financial Clinic operations and the related streamlining of certain back-office and corporate functions. Restructuring charges for the fourth quarter of 2019 also resulted from other measures aimed at improving efficiency as detailed in the Strategic Plan section above. Efficiency ratio The adjusted efficiency ratio was 71.2% for the fourth quarter of 2019, compared with 67.2% for the fourth quarter of 2018, mainly as a result of lower revenue. The adjusted operating leverage was also negative year-over-year The efficiency ratio, on a reported basis, was 74.8% for the fourth quarter of 2019, compared with 69.0% for the fourth quarter of 2018, essentially for the same reasons. Income taxes For the quarter ended October 31, 2019, income tax expense was \$6.6 million and the effective tax rate was 13.7%. The lower tax rate, compared to the statutory rate, mainly resulted from the lower taxation level on revenues from foreign operations, as well as from the favourable effect of holding investments in Canadian securities that generate non-taxable dividend income. For the quarter ended October 31, 2018, income tax expense was \$10.5 million and the effective tax rate was 17.2%. The lower tax rate, compared to the statutory rate, resulted from the same factors as noted above. Three months ended October 31, 2019 compared with three months ended July 31, 2019 Net income was \$41.3 million or \$0.90 diluted per share for the fourth quarter of 2019, compared with \$47.8 million or \$1.05 diluted per share for the third quarter of 2019. Adjusted net income was \$48.0 million or \$1.05 diluted per share for the fourth quarter of 2019, compared with \$51.9 million or \$1.15 diluted per share for the third quarter of 2019. Total revenue decreased by \$3.0 million to \$241.6 million for the fourth quarter of 2019, compared with \$244.7 million for the previous quarter. Net interest income decreased by \$2.8 million sequentially to \$173.2 million. The third quarter benefitted from seasonal mortgage prepayments while the fourth quarter was impacted by a lower average loan volume. Net interest margin stood at 1.84% for the fourth quarter of 2019, a decrease of 1 basis point compared with the third quarter of 2019 due to lower mortgage prepayments. Other income was \$68.4 million for the fourth quarter of 2019, which is comparable to the previous quarter's \$68.6 million. The fourth quarter 2019 included a \$3.8 million loss resulting from a revaluation of trading securities, which was offset by overall improvements in other brokerage operations. The line item "Amortization of net premium on purchased financial instruments" amounted to \$0.3 million for the fourth quarter of 2019, essentially unchanged from the third guarter of 2019. Provision for credit losses totalled \$12.6 million for the fourth guarter of 2019, a \$0.5 million increase compared with \$12.1 million for the third guarter of 2019. Refer to Note 7 to the annual consolidated financial statements for additional information. Non-interest expenses increased by \$3.0 million to \$180.8 million for the fourth quarter of 2019 from \$177.9 million in the third guarter of 2019. Adjusted non-interest expenses decreased by \$0.6 million and amounted to \$172.0 million in the current guarter, compared with \$172.6 million in the third guarter of 2019. Salaries and employee benefits decreased by \$5.3 million due to a favorable adjustment to pension cost and seasonally lower payroll charges, as well as a lower headcount. The decrease in Salaries and employee benefits was partly offset by a \$4.4 million increase in Other expenses mainly due to higher advertising and business development expenses to support the launch of our new digital offering. Financial Condition As at October 31, 2019, total assets amounted to \$44.4 billion, a 3% decrease compared with \$45.9 billion as at October 31, 2018. This mainly reflects a decrease in liquid assets of \$1.0 billion, as the new labor relations environment allowed us to reduce liquidity as of the end of the second quarter. Commercial loans increased as a result of our efforts to optimize capital allocation and focus on higheryielding loans. Lower personal and residential mortgage loans also contributed to the decrease as explained below. Liquid assets Liquid assets consist of cash, deposits with banks, securities and securities purchased under reverse repurchase agreements. As at October 31, 2019, these assets totalled \$9.3 billion, a decrease of \$1.0 billion compared with \$10.2 billion as at October 31, 2018. Over the past year, we continued to prudently manage the level of liquid assets as we are progressing on our various initiatives. The Bank benefits from well-diversified funding sources and the current level of cash resources is sufficient to meet obligations, under both normal and stressed conditions. Loans Loans and bankers' acceptances, net of allowances, stood at \$33.6 billion as at October 31, 2019, down \$0.7 billion or 2% from October 31, 2018. This is consistent with the continued optimization of our portfolio mix aimed at improving capital allocation and returns on riskweighted assets. Variances are further explained by the items outlined below. Personal loans amounted to \$4.7 billion and decreased by \$0.7 billion or 13% since October 31, 2018, mainly as a result of the continued reduction in the investment loan portfolio, reflecting an ongoing consumer behavior to reduce leverage. Residential mortgage loans stood at \$16.0 billion as at October 31, 2019, a decrease of \$0.9 billion or 6% year-over-year. This mostly reflects a gradual decrease in origination and a focus on higher-yielding commercial loans to optimize product mix. The decrease was partly offset by the acquisition of mortgage loans originated by thirdparties as part of our program to optimize the usage of National Housing Act mortgage-backed securities (NHA MBS) allocations. Commercial loans and acceptances amounted to \$13.0 billion as at October 31,

2019, up 8% since October 31, 2018. This increase is mainly due to inventory financing volumes through NCF, as well as to equipment financing and real estate financing loans. At the beginning of the year, we sold lower-yielding commercial loans amounting to \$105 million, which concluded the realignment of our commercial loan portfolio. As a result, the commercial loan portfolio increased by 9% net of loan sales since October 31, 2018. Other assets Other assets were essentially unchanged compared with October 31, 2018 and stood at \$1.5 billion as at October 31, 2019. They mainly included cheques and other items in transit, software and other intangible assets, derivatives, as well as goodwill. Liabilities Deposits decreased by \$2.4 billion or 8% to \$25.7 billion as at October 31, 2019 compared with \$28.0 billion as at October 31, 2018 mainly given the reduction in liquidity following the ratification of the new collective agreement mid-year, and as we increased our funding through securitization. Personal deposits stood at \$19.7 billion as at October 31, 2019, down \$1.2 billion compared with October 31, 2018 driven by lower term deposits sourced through the Advisors and Brokers channel. Business and other deposits decreased by \$1.1 billion to \$5.9 billion over the same period, mostly in institutional funding. Personal deposits represented 77% of total deposits as at October 31, 2019, compared with 75% as at October 31, 2018, and contributed to our good liquidity position. Debt related to securitization activities increased by \$1.1 billion or 14% compared with October 31, 2018 and stood at \$8.9 billion as at October 31, 2019. Since the beginning of the year, mortgage loan securitization through both the CMHC programs and a third-party program, as well as securitization of finance lease receivables and investment loans more than offset maturities of liabilities related to the Canada Mortgage Bond program, as well as normal repayments. For additional information, please refer to the Securitization and Off-Balance Sheet Arrangements section of our 2019 Annual Report. Subordinated debt was essentially unchanged and stood at \$349.1 million as at October 31, 2019, compared with \$348.8 million as at October 31, 2018. Shareholders' equity and regulatory capital Shareholders' equity stood at \$2,567.7 million as at October 31, 2019, compared with \$2,496.2 million as at October 31, 2018. As at November 1, 2018, the adoption of IFRS 9 resulted in a net decrease of \$7.7 million of shareholders' equity. In 2019, shareholders' equity increased mainly as a result of the net income contribution, net of declared dividends, and an increase in AOCI related to cash flow hedges, as well as the issuance of common shares under the Shareholder Dividend Reinvestment and Share Purchase Plan. For additional information, please refer to the Consolidated Statement of Changes in Shareholders' Equity. The Bank's book value per common share appreciated to \$54.02 as at October 31, 2019 from \$53.72 as at October 31, 2018. The Common Equity Tier 1 capital ratio stood at 9.0% October 31, 2019, unchanged compare to the previous year. This level of capital provides the Bank's with the flexibility to pursue organic growth, as well as to continue to invest in the implementation of our core banking system, the development of our digital solutions and the project to adopt the AIRB approach to credit risk. During the year, we continued to manage capital, as well as to optimize the product mix with a view to improving profitability as we redeploy capital. Future Changes to Accounting Policies The International Accounting Standards Board (IASB) has issued new standards and amendments to existing standards on leases, insurance contracts and employee benefits which were not yet effective for the year ended October 31, 2019. These future accounting changes are applicable for the Bank in various annual periods beginning on November 1, 2019. Additional information on the new standards and amendments to existing standards can be found in Note 4 of the Consolidated Financial Statements and in the "Future Changes to Accounting Policies" section in our 2019 Annual Report. Transition Impact for IFRS 16, Leases Based on current estimates, the adoption of IFRS 16 is expected to result in the recognition of right-of-use assets of approximately \$138.6 million, net of deferred credits related to previously recorded lease inducements, and lease liabilities of approximately \$170.7 million as at November 1, 2019. The decrease in shareholders' equity at IFRS 16 transition is not expected to exceed \$8.5 million. The adoption of IFRS 16 is expected to decrease the Bank's Common Equity Tier 1 (CET1) capital ratio by up to 10 basis points. Management is finalizing its analyses of the impact of the adoption of this standard on its Consolidated Financial Statements. Condensed Interim Consolidated Financial Statements (unaudited) Consolidated Balance Sheet In thousands of Canadian dollars (Unaudited) As at October 31 2019 As at October 31 2018 Assets Cash and non-interest bearing deposits with banks \$ 90,658 \$ 116,490 Interest bearing deposits with banks 322,897 374,237 Securities Available-for-sale n/a 2,710,249 Held-to-maturity n/a 655,757 Held-for-trading n/a 2,695,138 6,299,936 6,061,144 Securities purchased under reverse repurchase agreements 2,538,285 3,652,498 Loans Personal 4,660,524 5,372,468 Residential mortgage 16,039,680 16,986,338 Commercial 12,646,332 11,839,106 Customers' liabilities under acceptances 319,992 196,776 33,666,528 34,394,688 Allowances for loan losses (100,457) (93,026) 33,566,071 34,301,662 Other Derivatives 143,816 94,285 Premises and equipment 77,802 80,961 Software and other intangible assets 391,162 367,345 Goodwill 116,649 116,617 Deferred tax assets 37,045 25,437 Other assets 768,806 704,007 1,535,280 1,388,652 \$ 44,353,127 \$ 45,894,683 Liabilities and shareholders' equity Deposits Personal \$ 19,747,260 \$ 20,995,453 Business, banks and other 5,905,344 7,011,119 25,652,604 28,006,572 Other Obligations related to securities sold short 2,618,147 3,008,666 Obligations related to securities sold under repurchase agreements 2,558,883 2,515,823 Acceptances 319,992 196,776 Derivatives 112,737 285,492 Deferred tax liabilities 53,102 19,081 Other liabilities 1,207,567 1,229,556 6,870,428 7,255,394 Debt related to securitization activities 8,913,333 7,787,753 Subordinated debt 349,101 348,762

Shareholders' equity Preferred shares 244,038 244,038 Common shares 1,139,193 1,115,416 Retained earnings 1,161,668 1,152,470 Accumulated other comprehensive income 20,947 (15,990) Share-based compensation reserve 1,815 268 2,567,661 2,496,202 \$ 44,353,127 \$ 45,894,683 Consolidated Statement of Income For the three months ended For the year ended In thousands of Canadian dollars, except per share amounts (Unaudited) October 31 2019 July 31 2019 October 31 2018 October 31 2019 October 31 2018 Interest income Loans \$ 360,367 \$ 365,422 \$ 356,135 \$ 1,440,102 \$ 1,396,936 Securities 18,318 18,887 18,681 76,562 62,035 Deposits with other banks 2,120 1,899 1,488 8,356 3,428 Other, including derivatives 6,551 7,465 8,276 31,362 28,384 387,356 393,673 384,580 1,556,382 1,490,783 Interest expense Deposits 157,984 161,570 158,290 638,389 583,203 Debt related to securitization activities 44,961 43,535 42,449 172,419 166,077 Subordinated debt 3,835 3,835 3,835 15,214 15,214 Other, including derivatives 7,371 8,691 6,854 43,949 20,377 214,151 217,631 211,428 869,971 784,871 Net interest income 173,205 176,042 173,152 686,411 705,912 Other income Lending fees 16,630 15,499 18,654 61,459 66,540 Service charges 10,109 10,973 11,154 42,033 48,972 Card service revenues 7,855 8,351 7,821 33,238 33,785 Fees and securities brokerage commissions (1) 11,919 10,330 13,438 43,892 51,388 Commissions from sales of mutual funds 10,706 10,749 11,630 42,892 47,609 Fees on investment accounts 4,593 4,378 4,508 18,231 20,146 Insurance income, net 3,334 3,270 3,701 13,941 15,273 Income from financial instruments (1) (584) 1,910 8,992 12,460 32,687 Other 3,871 3,151 2,807 13,953 21,098 68,433 68,611 82,705 282,099 337,498 Total revenue 241,638 244,653 255,857 968,510 1,043,410 Amortization of net premium on purchased financial instruments 284 336 495 1,452 2,296 Provision for credit losses 12,600 12,100 17,600 44,400 44,000 Non-interest expenses Salaries and employee benefits 84,755 90,078 87,800 357,396 366,022 Premises and technology 49.017 48.705 48.358 197.351 192.377 Other 41.625 37.273 39.247 159.067 150.081 Restructuring charges 5,431 1,802 1,032 12,679 5,944 Costs related to business combinations and other -- 2,357 180,828 177,858 176,437 726,493 716,781 Income before income taxes 47,926 54,359 61,325 196,165 280,333 Income taxes 6,583 6,561 10,524 23,455 55,687 Net income \$ 41,343 \$ 47,798 \$ 50,801 \$ 172,710 \$ 224,646 Preferred share dividends, including applicable taxes 3,196 3,257 3,253 12,966 14,038 Net income available to common shareholders \$ 38,147 \$ 44,541 \$ 47,548 \$ 159,744 \$ 210,608 Average number of common shares outstanding (in thousands) Basic 42,518 42,370 42,023 42,310 41,280 Diluted 42,583 42,429 42,023 42,356 41,280 Earnings per share Basic \$ 0.90 \$ 1.05 \$ 1.13 \$ 3.78 \$ 5.10 Diluted \$ 0.90 \$ 1.05 \$ 1.13 \$ 3.77 \$ 5.10 Dividends declared per share Common share \$ 0.66 \$ 0.66 \$ 0.64 \$ 2.62 \$ 2.54 Preferred share - Series 11 \$ — \$ — \$ — \$ 0.25 Preferred share - Series 13 \$ 0.26 \$ 0.27 \$ 0.27 \$ 1.06 \$ 1.08 Preferred share - Series 15 \$ 0.37 \$ 0.37 \$ 0.37 \$ 1.46 \$ 1.46 (1) Comparative figures have been reclassified to conform the current year presentation. Consolidated Statement of Comprehensive Income For the three months ended For the year ended In thousands of Canadian dollars (Unaudited) October 31 2019 July 31 2019 October 31 2018 October 31 2019 October 31 2018 Net income \$ 41,343 \$ 47,798 \$ 50,801 \$ 172,710 \$ 224,646 Other comprehensive income (loss), net of income taxes Items that may subsequently be reclassified to the statement of income Net change in debt securities at FVOCI Unrealized net gains (losses) on debt securities at FVOCI (114) 276 n/a 2,327 n/a Reclassification of net (gains) losses on debt securities at FVOCI to net income 115 (392) n/a (378) n/a 1 (116) n/a 1,949 n/a Net change in available-for-sale securities Unrealized net losses on available-for-sale securities n/a n/a (4,797) n/a (7,672) Reclassification of net gains on available-for-sale securities to net income n/a n/a (3,144) n/a (5,206) n/a n/a (7,941) n/a (12,878) Net change in value of derivatives designated as cash flow hedges (1,764) (274) (5,191) 33,293 (4,951) Net foreign currency translation adjustments Net unrealized foreign currency translation gains (losses) on investments in foreign operations (432) (6,007) 4,404 445 9,012 Unrealized net losses on hedges of investments in foreign operations (242) 1,438 (3,341) (5,158) (6,677) (674) (4,569) 1,063 (4,713) 2,335 (2,437) (4,959) (12,069) 30,529 (15,494) Items that may not subsequently be reclassified to the statement of income Remeasurement gains (losses) on employee benefit plans (3,938) (6,498) 58 (7,311) 13,023 Net losses on equity securities designated at FVOCI (3,338) (3,342) n/a (18,411) n/a (7,276) (9,840) 58 (25,722) 13,023 Total other comprehensive income (loss), net of income taxes (9,713) (14,799) (12,011) 4,807 (2,471) Comprehensive income \$ 31,630 \$ 32,999 \$ 38,790 \$ 177,517 \$ 222,175 Income Taxes — Other Comprehensive Income The following table shows income tax expense (recovery) for each component of other comprehensive income. For the three months ended For the year ended In thousands of Canadian dollars (Unaudited) October 31 2019 July 31 2019 October 31 2018 October 31 2019 October 31 2018 Net change in debt securities at FVOCI Unrealized net gains (losses) on debt securities at FVOCI \$ 140 \$ (42) n/a \$ 846 n/a Reclassification of net gains on debt securities at FVOCI to net income (137) - n/a (137) n/a 3 (42) n/a 709 n/a Net change in available-for-sale securities Unrealized net losses on available-for-sale securities n/a n/a \$ (1,670) n/a \$ (2,584) Reclassification of net gains on available-for-sale securities to net income n/a n/a (1,732) n/a (2,436) n/a n/a (3,402) n/a (5,020) Net change in value of derivatives designated as cash flow (639) (103) (1,877) 12,034 (1,793) hedges Net foreign currency translation adjustments Unrealized net losses on hedges of investments in foreign operations 142 (298) — — — Remeasurement gains (losses) on employee benefit plans (1,443) (2,355) 22 (2,666) 4,740 Net losses on equity securities designated at FVOCI (1,181) (1,212) — (6,648) — \$ (3,118) \$ (4,010) \$ (5,257) \$ 3,429 \$ (2,073) Consolidated

Statement of Changes in Shareholders' Equity For the year ended October 31, 2019Accumulated Other Comprehensive Income Share-based compensation reserve Totalshareholders'equity(in thousands of Canadian dollars) Preferred shares Common shares Retained earnings Debt securities at FVOCI Availablefor-sale securities Cash flow hedges Translation of foreign operations Total Balance as at October 31, 2018 \$244,038 \$1,115,416 \$1,152,470 \$ — \$ (8,029) \$(12,244)\$ 4,283 \$(15,990)\$ 268 \$ 2.496,202 Impact of adoption of new accounting standards (14,087) (1,621) 8,029 6,408 (7,679) Balance as at November 1, 2018 244,038 1,115,416 1,138,383 (1,621) — (12,244) 4,283 (9,582) 268 2,488,523 Net income 172,710 172,710 Other comprehensive income (net of income taxes) Unrealized net gains on debt securities at FVOCI 2,327 2,327 2,327 Reclassification of net gains on debt securities at FVOCI to net income (378) (378) (378) Net change in value of derivatives designated as cash flow hedges 33,293 33,293 33,293 Net unrealized foreign currency translation gains on investments in foreign operations 445 445 445 Net losses on hedges of investments in foreign operations (5,158) (5,158) (5,158) Remeasurement of losses on employee benefit plans (7,311) (7,311) Net losses on equity securities designated at FVOCI (18,411) (18,411) Comprehensive income 146,988 1,949 n/a 33,293 (4,713) 30,529 177,517 Issuance of share capital 23,777 23,777 Share-based 1,547 1,547 compensation Dividends Preferred shares, including applicable taxes (12,966) (12,966) Common shares (110,737) (110,737) Balance as at October 31, 2019 \$244,038 \$1,139,193 \$1,161,668 \$ 328 n/a\$ 21,049 \$ (430) \$ 20,947 \$ 1,815 \$ 2,567,661 For the year ended October 31, 2018 Accumulated Other Comprehensive Income Share-based compensation reserve Total shareholders' equity (in thousands of Canadian dollars) Preferred shares Common shares Retained earnings Availablefor-sale securities Cash flow hedges Translation of foreign operations Total Balance as at October 31, 2017 \$341,600 \$ 953,536 \$1,035,770 \$ 4,849 \$ (7,293) \$ 1,948 \$ (496) \$ — \$ 2,330,410 Net income 224,646 224,646 Other comprehensive income (loss), (net of income taxes) Unrealized net losses on available-forsale securities (7,672) (7,672) (7,672) Reclassification of net gains on available-forsale securities to net income (5,206) (5,206) (5,206) Net change in value of derivatives designated as cash flow hedges (4.951) (4.951) (4.951) Net unrealized foreign currency translation gains on investments in foreign operations 9,012 9,012 9,012 Unrealized net losses on hedges of investments in foreign operations (6,677) (6,677) (6,677) Remeasurement of gains on employee benefit plans 13,023 13,023 Comprehensive income 237,669 (12,878) (4,951) 2,335 (15,494) 222,175 Issuance of share capital 161,880 161,880 Repurchase of share capital (97,562) (2,438) (100,000) Share-based compensation 268 268 Dividends Preferred shares, including applicable taxes (14,038) (14,038) Common shares (104,493) (104,493) Balance as at \$244,038 \$1,115,416 \$1,152,470 \$ (8,029) \$ (12,244) \$ 4,283 \$(15,990) \$ 268 \$ 2,496,202 October 31, 2018 Caution Regarding Forward-Looking Statements In this document and in other documents filed with Canadian regulatory authorities or in other communications, we may, from time to time, make written or oral forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may include, but are not limited to, statements regarding our business plan and financial objectives including statements contained in our 2019 Annual Report under the heading "Outlook". The forward-looking statements contained in this document are used to assist readers in obtaining a better understanding of our 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 are identified with words or phrases such as believe, estimate, forecast, project, expect, anticipate, plan, goal, target, may, should, could, would, will, intend or the negative of these terms, variations thereof or similar terminology. By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that the predictions, forecasts, projections or conclusions will prove to be inaccurate, that our assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, projections or conclusions. We caution readers against placing undue reliance on forwardlooking statements, as a number of factors, many of which are beyond our control and the effects of which can be difficult to predict, could cause our actual results to differ materially from the targets, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions; changes in government monetary, fiscal or economic policies; changes in currency and interest rates; legislative and regulatory developments, including tax legislation and interpretation; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; changes in competition; modifications to credit ratings; scarcity of human resources; developments with respect to labour relations; information technology and cyber security; developments in the technological environment; environmental risk including changes to global environmental policy and the effects of climate change; the possible effects of global conflicts and terrorism, natural disasters, public health emergencies, disruptions to public infrastructure and other catastrophic events; our ability to execute our strategic plans including the reorganization of our retail branches, the modernization of our core banking system and implementation of the Advanced Internal Ratings-Based (AIRB) Approach to credit risk, as well as our ability to anticipate and effectively manage risks arising from the foregoing. We further caution that the foregoing list of factors is not exhaustive. Other factors and risks could adversely affect our results. For

more information on the risks, uncertainties and assumptions that would cause our actual results to differ from current expectations, please also refer to the "Risk Appetite and Risk Management Framework" section of our 2019 Annual Report, as well as to other public filings available at www.sedar.com. We do not undertake to update any forward-looking statements, whether oral or written, made by us or on our behalf, except to the extent required by securities regulations.

Access to Quarterly Results Materials

Interested investors, the media and others may review this press release on our website at www.lbcfg.ca, under the Press Room tab, and our report to shareholders, presentation to investors and supplementary financial information under the Investor Centre tab, Financial Results.

Conference Call

Laurentian Bank Financial Group invites media representatives and the public to listen to the conference call to be held at 10:00 a.m. Eastern Time on December 4, 2019. The live, listen-only, toll-free, call-in number is 1-800-239-9838, code 7408149. A live webcast will also be available on the Group's website under the Investor Centre tab, Financial Results. The conference call playback will be available on a delayed basis at any time from 1:00 p.m. on December 4, 2019 until 1:00 p.m. on January 3, 2020, on our website under the Investor Centre tab, Financial Results. The presentation material referenced during the call will be available on our website under the Investor Centre tab, Financial Results.

Contact Information:

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About Laurentian Bank Financial Group

Founded in 1846, Laurentian Bank Financial Group is a diversified financial services provider whose mission is to help its customers improve their financial health. The Laurentian Bank of Canada and its entities are collectively referred to as Laurentian Bank Financial Group (the "Group" or the "Bank"). With more than 3,200 employees guided by the values of proximity, simplicity and honesty, the Group provides a broad range of advice-based solutions and services to its personal, business and institutional customers. With pan-Canadian activities and a presence in the U.S., the Group is an important player in numerous market segments. The Group has \$44 billion in balance sheet assets and \$29 billion in assets under administration.

https://news.laurentianbank.ca/2019-12-04-Laurentian-Bank-Financial-Group-reports-2019-results