Laurentian Bank of Canada reports second quarter 2024 results



The financial information reported herein is based on the condensed interim consolidated (unaudited) information for the three-month period ended April 30, 2024 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" or the "Bank" and provide deposit, investment, loan, securities, trust and other products or services.

MONTREAL, May 31, 2024 /CNW/ - Laurentian Bank of Canada reported a net loss of \$117.5 million and a diluted loss per share of \$2.71 for the second quarter of 2024, compared with net income of \$49.3 million and diluted earnings per share of \$1.11 for the second quarter of 2023. Return on common shareholders' equity was a negative 18.6% for the second quarter of 2024, compared with 7.7% for the second quarter of 2023. Of note, reported results for the second quarter of 2024 included impairment and restructuring charges of \$196.8 million (\$155.6 million after income taxes), or \$3.56 per share, related to the restructuring of the Bank's operations and to the impairment of the Personal and Commercial (P&C) Banking segment. Refer to the Non-GAAP Financial and Other Measures section and to the Business Highlights section for further details. Adjusted net income⁽¹⁾ was \$40.5 million and adjusted diluted earnings per share⁽²⁾ were \$0.90 for the second quarter of 2024, compared with \$51.7 million and \$1.16 for the second quarter of 2023. Adjusted return on common shareholders' equity⁽²⁾ was 6.1% for the second quarter of 2024, compared with 8.1% a year ago.

For the six months ended April 30, 2024, net loss was\$80.3 million and diluted loss per share were \$1.97, compared with net income of\$101.2 million and diluted earnings per share of\$2.20 for the six months ended April 30, 2023. Return on common shareholders' equity was a negative 6.7% for the six months ended April 30, 2024, compared with 7.6% for the six months endedApril 30, 2023. Of note, reported results for the six months ended April 30, 2024 included impairment and restructuring charges of \$202.8 million (\$160.1 million after income taxes), or \$3.66 per share, related to the restructuring of the Bank's operations and to the impairment of the P&C Banking segment. Adjusted net income⁽¹⁾ was \$84.7 million and adjusted diluted earnings per share⁽²⁾ were \$1.80 for the six months ended April 30, 2024, compared with \$106.0 million and \$2.31 for the six months ended April 30, 2023. Adjusted return on common shareholders' equity⁽²⁾ was 6.1% for the six months endedApril 30, 2024, compared with 8.0% a year ago.

"The Bank maintained a strong and prudent liquidity position and remains well capitalized in light of continuing macroeconomic headwinds," said Éric Provost, President & CEO. "This quarter, we further simplified our operations that demonstrates our conviction and ability to execute on our strategic plan, as we concentrate on our core strengths. We will also unveil our revamped strategic plan on May 31, 2024, which will position us for future growth as an even stronger Bank."

For the three months ended For the six months er In millions of dollars, except per share and percentage amounts (Unaudited) April 30, 2024 $^{\rm April \ 30, 2023}_{\rm 2023}$ Variance April 30, 2024 April 3 Reported basis Net income (loss) (117.5)\$ 49.3 (338) % \$ (80.3)\$ 1.11 (344) % \$ Diluted earnings per share (2.71)\$ (1.97)\$ Return on common shareholders' equity(2)(3) (18.6) % 7.7% 7.6% Efficiency Equity Tier 1 (CET1) capital ratio (5) Adjusted basis Adjusted net income⁽¹⁾ 40.5 51.7 (22) % 84.7 \$ Adjusted diluted earnings per share(2) 0.90 \$ 1.16 (22) % \$ 1.80 \$ Adjusted return on common shareholders' equity (2)(3) 6.1 % 8.1% 6.1 % 8.0% Adjusted efficiency ratio⁽²⁾ 73.8 % 69.7 % 73.4 % 69.5 %

This is a non-GAAP financial measure. For more information, refer to the Non-GAAP Financial and Other Measures below and beginning on page 5 of the Second Quarter 2024 Report to Shareholders, including the MD&A for the period ended April 30, 2024, which pages are incorporated by reference herein.

- This is a non-GAAP ratio. For more information, refer to the Non-GAAP Financial and Other Measures section below and beginning on page 5 of the Second Quarter 2024 Report to
- (2) Shareholders, including the Management's Discussion and Analysis (MD&A) for the period ended April 30, 2024, which pages are incorporated by reference herein. The MD&A is available on SEDAR+ at www.sedarplus.ca.
 - Effective November 1, 2023, the Bank retrospectively adopted IFRS 17, Insurance contracts, which
- (3) required restatement of the Bank's 2023 comparative information and financial measures. Refer to Note 2 in the Condensed Interim Consolidated Financial Statements for further information.

 This is a supplementary financial measure. For more information, refer to the Non-GAAP Financial
- (4) below and beginning on page 5 of the Second Quarter 2024 Report to Shareholders, including the MD&A for the period ended April 30, 2024, which pages are incorporated by reference herein.
- (5) In accordance with the Office of the Superintendent of Financial Institutions' (OSFI) "Capital Adequacy Requirements" guideline.

Non-GAAP Financial and Other Measures

In addition to financial measures based on generally accepted accounting principles (GAAP), management uses non-GAAP financial measures to assess the Bank's underlying ongoing business performance. Non-GAAP financial measures presented throughout this document are referred to as "adjusted" measures and exclude amounts designated as adjusting items. Adjusting items include the amortization of acquisition-related intangible assets, and certain items of significance that arise from time to time which management believes are not reflective of underlying business performance. Non-GAAP financial measures are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Bank and might not be comparable to similar financial measures disclosed by other issuers. The Bank believes non-GAAP financial measures are useful to readers in obtaining a better understanding of how management assesses the Bank's performance and in analyzing trends.

The following tables show a reconciliation of the non-GAAP financial measures to their most directly comparable financial measure that is disclosed in the primary financial statements of the Bank.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED STATEMENT OF INCOME

Restructuring and other impairment charges resulted from the Bank's decision to suspend the Advanced Internal-Ratings Based (AIRB) approach to credit risk project and to reduce its leased (2) corporate office premises in Toronto, as well as from the simplification of the Bank's organizational structure and headcount reduction. Restructuring and other impairment charges were mainly comprised of impairment charges and severance charges and were included in the Impairment and

restructuring charges line item.

In thousands of dollars (Unaudited)	_	ril 3	-	ee		ns ende ary 31	d April 2023	30	_	the six moril 30	onths Apri 202	I 30
Non-interest expenses	\$	3	86,3	41	\$	197,834	\$	182,472	\$	584,175	\$	366,147
Less: Adjusting items, before income taxes P&C Banking segment impairment charges ⁽¹⁾ Restructuring and other impairment charges ⁽²⁾ Amortization of acquisition-related intangible assets ⁽³⁾	40, 3,2	5,93 ,832 229	2		— 6,076 3,217	,	_ _ 3,221		46, 6,4		— — 6,43	
Adjusted non-interest expenses	199 \$	9,99 1	94 86,3	47	9,293 \$	188,541	3,221 \$	179,251),287 374,888	6,43 \$	359,716
Income (loss) before income taxes	\$	(15	51,67	78)	\$	43,609	\$	58,526	\$	(108,069)	\$	119,487
Adjusting items, before income taxes (detailed above) Adjusted income before income taxes	199 \$	9,99	94 48,3	16	9,293 \$	52,902	3,221 ?\$	61,747),287 101,218	6,43 \$	31 125,918
Reported net income (loss)	\$	(11	17,54	17)	\$	37,283	\$\$	49,291	\$	(80,264)	\$	101,201
Adjusting items, net of income taxes P&C Banking segment impairment charges ⁽¹⁾ Restructuring and other impairment charges ⁽²⁾ Amortization of acquisition-related intangible assets ⁽³⁾	30, 2,4	5,62 ,020 110 8,05)		 4,468 2,402 6,870	!	 2,393 2,393		34, ₄	5,629 488 12 1,929	 4,77 4,77	
Adjusted net income	\$,	40,5	12	,	44,153	,	51,684		84,665	,	105,980
Net income (loss) available to common shareholders	\$	(11	18,83	35)	\$	32,682	2 \$	48,003	\$	(86,153)	\$	95,312
Adjusting items, net of income taxes (detailed above) Adjusted net income available to common shareholder (1) The Personal and Commercial (P&C) Banking segment of the P&C Banking segment as part of the goodwill imp	r s\$: imp	airn	39,2 : nent	ch	arges	39,552 related	to the	50,396 impairn	\$ nent	1,929 78,776	4,77 \$	'9 100,091

(3) Amortization of acquisition-related intangible assets results from business acquisitions and is included in the Non-interest expenses line item.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED BALANCE SHEET

In thousands of dollars (Unaudited)	For the three April 30 2024	months ender January 31 2024	ed April 30 2023	For the six m April 30 2024	nonths ended April 30 2023
Shareholders' equity ⁽¹⁾	\$ 2,744,758	3 \$ 2,886,490	0 \$ 2,845,278	3 \$ 2,744,758	3 \$ 2,845,278
Less: Preferred shares Limited recourse capital notes Cash flow hedge reserve ⁽²⁾ Common shareholders' equity ⁽¹⁾	(122,071) (123,487) (9,140) \$ 2,490,060	(122,071) (123,487) (25,535) (25,615,397)	(122,071) (123,516) (32,591) 7\$ 2,567,100	(122,071) (123,487) (9,140) (\$ 2,490,060	(122,071) (123,516) (32,591) (32,567,100)

Impact of averaging month-end balances⁽³⁾ 104,149 (7,616) (24,981) 111,010 (36,279) Average common shareholders' equity⁽¹⁾ \$ 2,594,209 \$ 2,607,781 \$ 2,542,119 \$ 2,601,070 \$ 2,530,821

Effective November 1, 2023, the Bank retrospectively adopted IFRS 17, Insurance contracts, which

- (1) required restatement of the Bank's 2023 comparative information and financial measures. Refer to Note 2 in the Condensed Interim Consolidated Financial Statements for further information.
- (2) The cash flow hedge reserve is presented in the Accumulated other comprehensive income line item.
- (3) Based on the month-end balances for the period.

Business Highlights

Revamped Strategic Plan

In April 2024, the Bank announced that it will unveil its revamped strategic plan onMay 31, 2024. In the second quarter of 2024, the Bank recorded impairment and restructuring charges of \$196.8 million (\$155.6 million after income taxes), or \$3.56 diluted per share. The impact of these impairment and restructuring charges on the Bank's Common Equity Tier 1 capital ratio was a decrease of 8 basis points.

Personal and Commercial Banking segment impairment

As at April 30, 2024, indicators of potential impairment were identified for the Bank's assets, which led management to perform a goodwill impairment test as at April 30, 2024 for the P&C Banking segment. As a result of this test, the Bank recorded an impairment charge in the second quarter of 2024 on the value of its P&C Banking segment of \$155.9 million detailed as follows: 1) goodwill for an amount of \$83.9 million, 2) software and intangible assets for\$66.2 million and, 3) premises and equipment for \$5.8 million.

Refer to the Critical accounting and estimates section on page 21 of the Bank's MD&A for the second quarter of 2024 and to Notes 7 and 17 to the Condensed Interim Consolidated Financial Statements for additional information.

Suspension of the advanced-internal ratings-based (AIRB) approach to credit risk project

In the current context of its revamped strategic plan and priorities, the Bank has made the decision to suspend the AIRB project and to focus on the priorities of its revamped strategic plan to generate additional revenue, or efficiency gains. As a result, the Bank recorded an impairment charge of \$23.3 million in the second quarter of 2024 related to AIRB intangible assets that were still under development.

Reduction of leased corporate office premises

Since 2021, the Bank has adopted a hybrid work model. With an objective of maximizing shareholder value, increasing efficiency and simplifying our organization, the Bank has made the decision to reduce by two-thirds its leased corporate office premises in Toronto. As a result of this planned reduction, the Bank recorded charges of \$13.2 million in the second quarter of 2024 mainly related to the impairment of its premises. This will not impact the Bank's headquarters in Montreal, our Burlington corporate offices, or our branch footprint.

Organizational changes

In line with the Bank's priorities of becoming a simpler and more customer-centric organization, the Bank continued the simplification of its organizational structure. As a result, the Bank recorded severance charges of \$2.9 million in the second quarter of 2024 and expects to record additional charges of approximately \$7 million in the third quarter of 2024.

Other Business Highlights

Sale of assets under administration of Laurentian Bank Securities' retail full-service investment broker division

On April 4, 2024, the Bank announced that it has entered into an agreement to sell assets under administration of Laurentian Bank Securities' retail full-service investment broker division to iA Private Wealth Inc. (iAPW), a wholly owned subsidiary of Industrial Alliance Insurance and Financial Services Inc. ("iA Financial Group"). iA Financial Group is one of the largest insurance and wealth management groups in Canada, headquartered in Quebec, and with operations in the United States.

This transaction includes the transfer of approximately \$2 billion in assets under administration from Laurentian Bank Securities to iAPW. The transaction is anticipated to close this summer, subject to required regulatory approvals. Net proceeds from the transaction are not expected to be material to the Bank.

The transaction supports the Bank's strategic focus on simplification, and concentrating on areas of business where it can win and be more competitive.

Key executive changes

On April 2, 2024, the Bank announced that Kelsey Gunderson, Executive Vice President & Head of Capital Markets, would leave the Bank on April 12, 2024, to pursue personal interests prior to establishing the next path in his professional journey. Brian Doyle, previously Chief Financial Officer of Capital Markets, now serves as Acting Head of Capital Markets and Acting President & Chief Executive Officer of Laurentian Bank Securities Inc.

On May 23, 2024, the Bank announced the retirement of William Mason, Executive Vice President and Chief Risk Officer, effective later this year. Christian De Broux will succeed him as Chief Risk Officer starting June 17, 2024. Mr. De Broux, returning to Laurentian Bank, brings extensive experience and a deep understanding of the bank's operations, having been involved in major strategic initiatives previously. Mr. Mason will stay on as Special Advisor to support Mr. De Broux during the transition.

Consolidated Results

Three months ended April 30, 2024 financial performance

Net loss was \$117.5 million and diluted loss per share was\$2.71 for the second quarter of 2024, compared with net income of \$49.3 million and diluted earnings per share of\$1.11 for the second quarter of 2023. Adjusted net income was \$40.5 million and adjusted diluted earnings per share were\$0.90 for the second quarter of 2024, compared with \$51.7 million and \$1.16 for the second quarter of 2023.

Total revenue

Total revenue decreased by \$4.6 million to \$252.6 million for the second quarter of 2024, compared with \$257.2 million for the second quarter of 2023.

Net interest income decreased by \$4.6 million to \$179.6 million for the second quarter of 2024, compared with \$184.2 million for the second quarter of 2023. The decrease was mainly due to lower net interest income from lower loan volumes. The net interest margin was 1.80% for the second quarter of 2024, unchanged compared with the second quarter of 2023.

Other income was \$73.0 million for the second quarter of 2024, unchanged compared with the second quarter of 2023. Higher income from financial instruments in the second quarter of 2024 was mostly offset by lower lending fees due to tempered commercial real estate activity and lower income from mutual funds.

Provision for credit losses

The provision for credit losses was \$17.9 million for the second quarter of 2024, compared with \$16.2 million for the second quarter of 2023, an increase of\$1.8 million mainly as a result of higher provisions on impaired loans due to credit migration, partly offset by a release of provisions on performing loans. The provision for credit losses as a percentage of average loans and acceptances was 20 basis points for the quarter, compared with 18 basis points for the same quarter a year ago. Refer to the "Credit risk management" section on pages 15 to 17 of the Bank's MD&A for the second quarter of 2024 and to Note 5 to the Condensed Interim Consolidated Financial Statements for more information on provision for credit losses and allowances for credit losses.

Non-interest expenses

Non-interest expenses amounted to \$386.3 million for the second quarter of 2024, an increase of \$203.9 million compared with the second quarter of 2023. Of note, reported results for the second quarter of 2024 included impairment and restructuring charges of \$196.8 million related to the restructuring of the Bank's operations and to the impairment of the P&C Banking segment. Adjusted non-interest expenses increased by \$7.1 million or 4% to \$186.3 million for the second quarter of 2024, compared with \$179.3 million for the second quarter of 2023.

Salaries and employee benefits amounted to \$99.5 million for the second quarter of 2024, a decrease of \$1.3 million compared with the second quarter of 2023, mostly due to efficiency gains resulting from reduced headcount and lower employee benefits.

Premises and technology costs were \$50.1 million for the second quarter of 2024, an increase of\$1.6 million compared with the second quarter of 2023. The increase year-over-year is mainly due to increased amortization charges resulting from recently completed projects.

Other non-interest expenses were \$40.0 million for the second quarter of 2024, an increase of \$6.8 million compared with the second quarter of 2023 mainly resulting from higher regulatory expenses and other costs related to various compliance projects, as well as higher expenses to support the Bank's strategic priorities.

Impairment and restructuring charges were \$196.8 million for the second quarter of 2024, compared with nil for the second quarter of 2023. In the second quarter of 2024, the impairment test of the P&C Banking segment resulted in impairment charges of \$155.9 million. Restructuring and other impairment charges of \$40.8 million were also recorded following the Bank's decision to suspend the AIRB project and to reduce its leased corporate office premises in Toronto, as well as from the simplification of the Bank's organizational structure and headcount reduction. Refer to the Business Highlights section on page 7 of the Bank's MD&A for the second quarter of 2024 for further details.

Efficiency ratio

The efficiency ratio on a reported basis increased to 152.9% for the second quarter of 2024, compared with 71.0% for the second quarter of 2023 The increase year-over-year is mainly due to the impairment and restructuring charges recorded in the second quarter of 2024, as described above. The adjusted efficiency ratio increased to 73.8% for the second quarter of 2024, compared to 69.7% for the second quarter of 2023 mainly as a result of lower revenues and higher adjusted non-interest expenses.

Income taxes

For the second quarter of 2024, the income tax recovery was \$34.1 million, and the effective income tax rate was 22.5%. The lower effective income tax rate compared to the statutory income tax rate was attributed to the non-tax deductible goodwill impairment charge, partly offset by the lower taxation level of income from foreign operations. For the second quarter of 2023, the income tax expense was \$9.2 million, and the effective income tax rate was 15.8%. The lower effective income tax rate compared to the statutory income tax rate was mainly attributed to the lower taxation level of income from foreign operations.

Financial Condition

As at April 30, 2024, total assets amounted to \$48.4 billion, a 3% decrease compared with \$49.9 billion as at October 31, 2023, due to the lower level of loans and liquid assets.

Liquid assets

As at April 30, 2024, liquid assets as presented on the balance sheet amounted to \$11.0 billion, a decrease of \$0.4 billion compared with \$11.4 billion as at October 31, 2023. The Bank continues to prudently manage its level of liquid assets. The Bank's funding sources remain well diversified and sufficient to meet all liquidity requirements. Liquid assets represented 23% of total assets as at April 30, 2024, compared with 21% as at October 31, 2023.

Loans

Loans and bankers' acceptances, net of allowances, stood at \$36.1 billion as at April 30, 2024, a decrease of \$0.8 billion since October 31, 2023. Commercial loans and acceptances amounted to\$17.2 billion as at April 30, 2024, a decrease of \$0.6 billion or 4% since October 31, 2023 mainly resulting from lower real estate commercial loans. Personal loans of \$2.3 billion as at April 30, 2024 decreased by \$0.3 billion from October 31, 2023, mainly as a result of a decline in the investment loan portfolio driven by volatile market conditions and higher interest rates. Residential mortgage loans of \$16.8 billion as at April 30, 2024 increased by \$0.1 billion or 1% from October 31, 2023.

Deposits

Deposits decreased by \$1.4 billion to \$24.6 billion as at April 30, 2024 compared with \$26.0 billion as at October 31, 2023, as the Bank gradually reduced its deposit basis considering loan volume reductions and its liquidity position. Personal deposits stood at \$21.0 billion as at April 30, 2024, a decrease of \$1.3 billion compared with \$22.3 billion as at October 31, 2023. Of note, personal deposits sourced through the retail channel decreased by \$0.1 billion or 1% compared with October 31, 2023. Personal notice and demand deposits from partnerships decreased by \$1.0 billion since October 31, 2023, and deposits from advisors and brokers decreased by \$0.3 billion. Personal deposits represented 85% of total deposits as at April 30, 2024, compared with 86% as at October 31, 2023, and contributed to the Bank's sound liquidity position. Business and other deposits decreased by \$0.1 billion over the same period to \$3.6 billion.

Debt related to securitization activities

Debt related to securitization activities increased by \$0.3 billion or 2% compared with October 31, 2023 and stood at \$13.2 billion as at April 30, 2024. During the year, new issuances of cost-effective long-term debt related to securitization activities more than offset maturities of liabilities, as well as normal repayments.

Shareholders' equity and regulatory capital

Shareholders' equity stood at \$2.7 billion as at April 30, 2024 and decreased by \$113.3 million compared with October 31, 2023. Retained earnings decreased by \$126.5 million compared to October 31, 2023, mainly as a result of the cumulative net loss of \$80.3 million and of dividends amounting to \$41.1 million.

Accumulated other comprehensive income increased by \$8.1 million compared to October 31, 2023. For additional information, please refer to the Capital Management section of the Bank's MD&A and to the Consolidated Statement of Changes in Shareholders' Equity for the period ended April 30, 2024.

The Bank's book value per common share was \$56.82 as at April 30, 2024 compared to \$59.96 as at October 31, 2023.

The CET1 capital ratio was 10.4% as at April 30, 2024, in excess of the minimum regulatory requirement and the Bank's target management levels. The CET1 capital ratio increased by 50 basis points compared with October 31, 2023, mainly due to the risk-weighted assets reduction. The Bank met OSFI's capital and leverage requirements throughout the quarter.

On May 30, 2024, the Board of Directors declared a quarterly dividend of \$0.47 per common share, payable on August 1, 2024, to shareholders of record on July 2, 2024. This quarterly dividend is equal to the dividend declared in the previous quarter and is 2% higher than the dividend declared in the previous year. The Board also determined that shares attributed under the Bank's Shareholder Dividend Reinvestment and Share Purchase Plan will be made in common shares issued from Corporate Treasury with a 2% discount.

Caution Regarding Forward-Looking Statements

From time to time, Laurentian Bank of Canada and, as applicable its subsidiaries (collectively referred to as the **Bank**) will make written or oral forward-looking statements within the meaning of applicable Canadian and United States (**U.S.**) securities legislation, including, forward-looking statements contained in this document (and in the documents incorporated by reference herein), as well as in other documents filed with Canadian and U.S. regulatory authorities, in reports to shareholders, and in other written or oral communications. These forward-looking statements are made in accordance with the "safe harbor" provisions of, and are intended to be forward-looking statements in accordance with, applicable Canadian and U.S. securities legislation. They include, but are not limited to, statements regarding the Bank's vision, strategic goals, business plans and strategies, priorities and financial performance objectives; the economic, market, and regulatory review and outlook for Canadian, U.S. and global economies; the regulatory environment in which the Bank operates; the risk environment, including, credit risk, liquidity, and funding risks; the statements under the heading "Risk Appetite and Risk Management Framework" contained in the 2023 Annual Report, including, the MD&A for the fiscal year ended October 31, 2023, and other statements that are not historical facts.

Forward-looking statements typically are identified with words or phrases such as "believe", "assume", "estimate", "forecast", "outlook", "project", "vision", "expect", "foresee", "anticipate", "intend", "plan", "goal", "aim", "target", and expressions of future or conditional verbs such as "may", "should", "could", "would", "will", "intend" or the negative of any of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Bank's predictions, forecasts, projections, expectations, or conclusions may prove to be inaccurate; that the Bank's assumptions may be incorrect (in whole or in part); and that the Bank's financial performance objectives, visions, and strategic goals may not be achieved. Forward-looking statements should not be read as guarantees of future performance or results, or indications of whether or not actual results will be achieved. Material economic assumptions underlying such forward-looking statements are set out in the 2023 Annual Report under the heading "Outlook", which assumptions are incorporated by reference herein.

The Bank cautions readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank's control and the effects of which can be difficult to predict or measure, could influence, individually or collectively, the accuracy of the forward-looking statements and cause the Bank's actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include, but are not limited to general and market economic conditions; inflationary pressures; the dynamic nature of the financial services industry in Canada, the U.S., and globally; risks relating to credit, market, liquidity, funding, insurance, operational and regulatory compliance (which could lead to the Bank being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties, and fines); reputational risks; legal and regulatory risks; competitive and systemic risks; supply chain disruptions; geopolitical events and uncertainties; government sanctions; conflict, war, or terrorism; and various other significant risks discussed in the risk-related portions of the Bank's 2023 Annual Report, such as those related to: Canadian and global economic conditions (including the risk of higher inflation and rising interest rates); Canadian housing and household indebtedness; technology, information systems and cybersecurity; technological disruption, privacy, data and third party related risks; competition; the Bank's ability to execute on its strategic objectives; digital disruption and innovation (including, emerging fintech competitors); changes in government fiscal, monetary and other policies; tax risk and transparency; fraud and criminal activity; human capital; business continuity; emergence of widespread health emergencies or public health crises; environmental and social risks including, climate change; and various other significant risks, as described beginning on page 38 of the 2023 Annual Report, including the MD&A, which information is incorporated by reference herein. The Bank further cautions that the foregoing list of factors is not exhaustive. When relying on the Bank's forward-looking statements to make decisions involving the Bank, investors, financial analysts, and others should carefully consider the foregoing factors, uncertainties, and current and potential

Any forward-looking statements contained herein or incorporated by reference represent the views of management of the Bank only as at the date such statements were or are made, are presented for the

purposes of assisting investors, financial analysts, and others in understanding certain key elements of the Bank's financial position, current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Bank's business and anticipated financial performance and operating environment and may not be appropriate for other purposes. The Bank does not undertake any obligation to update any forward-looking statements made by the Bank or on its behalf whether as a result of new information, future events or otherwise, except to the extent required by applicable securities legislation. Additional information relating to the Bank can be located on SEDAR+ at www.sedarplus.ca.

Access to Quarterly Results Materials

This press release can be found on the Bank's website at www.lbcfg.ca, under the Press Room tab, and the Bank's Report to Shareholders, Investor Presentation and Supplementary Financial Information under the Investor Centre tab, Financial Results.

Conference Call

Laurentian Bank of Canada invites media representatives and the public to listen to the conference call to be held at 9:00 a.m. (ET) on May 31, 2024. The live, listen-only, toll-free, call-in number is 1-888-664-6392, code 68976124. A live webcast will also be available on the Bank's website under the Investor Centre tab, Financial Results.

The conference call playback will be available on a delayed basis from 12:00 p.m. (ET) on May 31, 2024, until 12:00 p.m. (ET) on July 1, 2024, 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.

About Laurentian Bank of Canada

Founded in Montréal in 1846, Laurentian Bank wants to foster prosperity for all customers through specialized commercial banking and low-cost banking services to grow savings for middle-class Canadians.

With a workforce of approximately 2,800 employees, the Bank offers a wide range of financial services and advice-based solutions to customers across Canada and the United States. Laurentian Bank manages \$48.4 billion in balance sheet assets and \$26.6 billion in assets under administration.

SOURCE Laurentian Bank of Canada

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https://news.laurentianbank.ca/2024-05-31-Laurentian-Bank-of-Canada-reports-second-quarter-2024-results