



News Release

For Immediate Release

Element Fleet Management reports \$0.25 of After-tax Adjusted Operating Income in Q3 2016

TORONTO, Ontario, November 14, 2016 - Element Fleet Management Corp. (TSX:EFN) (“Element” or the “Company”) (formerly Element Financial Corporation), the world’s largest publicly traded fleet management company, today reported financial results for the Company’s continuing operations for the three-month and nine-month periods ending September 30, 2016. The reported results also included results for the distributed operations that form ECN Capital Corp. (TSX:ECN) following the separation of Element Financial Corporation into two publicly traded companies on October 3, 2016. The following commentary pertains only to the continuing operations of Element Fleet Management Corp.

“Advanced analytics, connectivity and shared transportation are transforming the fleet services model,” said Bradley Nullmeyer, Element Fleet Management’s Chief Executive Officer. “The scale, depth and advanced analytics capabilities we have built at Element put us at the center of the connected car opportunity to deliver more value for our customers,” added Mr. Nullmeyer.

For the three-month period ended September 30, 2016, the Company reported After-tax Adjusted Operating Income of \$105.0 million, of which \$96.1 million or \$0.25 per share (basic) is attributable to common shareholders and is in line with the consensus of analyst estimates versus \$0.25 per share (basic) reported in the previous quarter and \$0.17 per share (basic) reported in the same three-month period last year.

After-tax Adjusted Return on Tangible Equity was 23.9% for the three-month period ended September 30, 2016 versus 22.8% for the previous period and 17.3% for the same period last year. Tangible Leverage increased to 7.7:1 as at September 30, 2016 versus 7.5:1 as at June 30, 2016. Before-tax Return on Average Earning Assets was 3.6% for the three-month period versus 3.9% for the previous period and 3.6% for the same period last year.

Service and Fee Revenue was \$127.8 million versus \$126.6 million for the previous three-month period ending June 30, 2016 and \$59.3 million for the same period last year. Services and Fee Revenue accounted for 56 percent of Total Fleet Revenue versus 54 percent for the previous three-month period ending June 30, 2016 and 45 percent for the same period last year.

Net Interest Income and Rental Revenue, net of Interest Expense and Provision for Credit Losses, for the three-month period ending September 30, 2016 was \$102.5 million versus \$107.4 million for the previous three-month period ending June 30, 2016 and \$72.2 million for the same period last year.

Adjusted Operating Expenses for the three-month period ending September 30, 2016 were \$103.7 million versus \$100.0 million for the previous three-month period ending June 30, 2016 and \$59.4 million for the same period last year.

Total Earning Assets as at September 30, 2016 were \$13.8 billion versus \$13.5 billion as at the end of the previous three-month period and \$13.9 billion as at September 30, 2015.

Originations for the three-month period ending September 30, 2016 were \$1.57 billion versus \$1.70 billion for the previous three-month period ending June 30, 2016 and \$1.12 billion for the same period last year.

“We had a solid quarter with stable service and fee revenue when compared on a sequential basis and an 115% increase from the same period in the prior year,” said Daniel Jauernig, Element’s President and Chief Operating Officer. “In the first nine months of this year, we have signed more than 100 new clients, representing a total fleet size of more than 200,000 vehicles and a future revenue stream that will build to more than \$29 million annualized run rate in the next three years.”

Dividends Declared

The Company's Board of Directors has authorized and declared a quarterly dividend of \$0.025 per outstanding common share of Element for the fourth quarter of 2016. The dividend will be paid on January 13, 2017 to shareholders of record at the close of business on December 30, 2016. These dividends are designated to be eligible dividends for purposes of section 89(1) of the Income Tax Act (Canada).

The Company's Board of Directors also declared the following dividends on Element's preferred shares:

A quarterly dividend of \$0.4125 per outstanding Cumulative 5-Year Rate Reset Preferred Share, Series A (TSX: EFN.PR.A) payable on December 30, 2016 to shareholders of record on the close of business on December 19, 2016. The dividend payment is for the quarterly period up to but excluding December 31, 2016.

A quarterly dividend of \$0.40625 per outstanding Cumulative 5-Year Rate Reset Preferred Share, Series C (TSX: EFN.PR.C) payable on December 30, 2016 to shareholders of record on the close of business on December 19, 2016. The dividend payment is for the quarterly period up to but excluding December 31, 2016.

A quarterly dividend of \$0.40 per outstanding Cumulative 5-Year Rate Reset Preferred Share, Series E (TSX: EFN.PR.E) payable on December 30, 2016 to shareholders of record on the close of business on December 19, 2016. The dividend payment is for the quarterly period up to but excluding December 31, 2016.

A quarterly dividend of \$0.40625 per outstanding Cumulative 5-Year Rate Reset Preferred Share, Series G (TSX: EFN.PR.G) payable on December 30, 2016 to shareholders of record on the close of business on December 19, 2016. The dividend payment is for the quarterly period up to but excluding December 31, 2016.

These dividends are designated to be eligible dividends for purposes of section 89(1) of the Income Tax Act (Canada).

Conference Call

A conference call to discuss the results with analysts will be held on Monday, November 14, 2016 at 4:30 p.m. Eastern Time. The conference call can be accessed by dialing the following numbers:

North America Toll-Free:	1-866-696-5910 passcode 7047872
Local:	416-340-2217 passcode 7047872
International:	https://www.confsoptions.ca/ILT?oss=7P1R8666965910

A series of presentation slides will be referenced by management during the conference call. These slides will be available on the Company's website in advance of the conference call and may be accessed at <https://www.elementfleet.com/about-us/investorrelations/presentations>.

The conference call will be recorded and can be accessed until December 14, 2016 by dialing 1-800-408-3053 or 905-694-9451 and entering the pass code 4417837.

Non-IFRS Measures

The Company's unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the accounting policies we adopted in accordance with IFRS.

The Company believes that certain Non-IFRS Measures can be useful to investors because they provide a means by which investors can evaluate the Company's underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business of a given period. Throughout this Press Release, management used a number of terms and ratios which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. A full description of these measures can be found in the Management Discussion & Analysis that accompanies the financial statements for the quarter ended September 30, 2016.

Element's unaudited interim condensed financial statements and related management discussion and analysis as at and for the three-month and nine-month periods ended September 30, 2016 have been filed on SEDAR (www.sedar.com).

About Element Fleet Management Corp.

Element Fleet Management (TSX: EFN) is a leading global fleet management company, providing world-class management services and financing for commercial vehicle and equipment fleets. Element's suite of fleet management services span the total fleet lifecycle, from acquisition and financing to program management and remarketing – helping customers optimize performance and improve productivity. For more information, visit www.elementfleet.com

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This release includes forward-looking statements regarding Element and its business. Such statements are based on the current expectations and views of future events of Element's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including, among others, statements regarding the changing nature of the fleet services model and Element's ability to deliver value, new originations in the current quarter, the anticipated pipeline of prospective transactions, future fleet sizes and revenue streams, and other financial performance. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Element, including risks regarding the fleet management and finance industries, economic factors, risks related to the completion of the purchase of new portfolios or technologies or the addition of new clients, risks relating to the integration of previous acquisitions and many other factors beyond the control of Element. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. A discussion of the material risks and assumptions associated with this outlook can be found in Element's current MD&A, and Annual Information Form, all of which have been filed on SEDAR and can be accessed at www.sedar.com. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.