



MAKING CAPITAL WORK



FIRST QUARTER 2016
FINANCIAL RESULTS

Certain information in this presentation is forward-looking and related to anticipated financial performance, events and strategies. When used in this context, words such as “will”, “anticipate”, “believe”, “plan”, “intend”, “target” and “expect” or similar words suggest future outcomes. Forward-looking statements relate to, among other things, Element Financial Corporation’s (“Element”) objectives and strategy; future cash flows, financial condition, operating performance, financial ratios, projected asset base and capital expenditures; Element’s anticipated dividend policy; anticipated cash needs, capital requirements and need for and cost of additional financing; future assets; demand for services; Element’s competitive position; and anticipated trends and challenges in Element’s business and the markets in which it operates; those related to the integration and financial impact of the acquisition of various fleet management businesses from GE Capital; and the plans, strategies and objectives of Element for future operations, including with respect to the proposed separation, the expected timetable for completing the separation, the future financial and operating performance of each business, the strategic and competitive advantages of each business and future opportunities for each business.

The forward-looking information and statements contained in this presentation reflect several material factors and expectations and assumptions of Element including, without limitation: that Element will conduct its operations in a manner consistent with its expectations and, where applicable, consistent with past practice; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax and regulatory regimes; certain cost assumptions; the continued availability of adequate debt and/or equity financing and cash flow to fund its capital and operating requirements as needed; and the extent of its liabilities. Element believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

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Q1 2016 Analyst Conference Call

Agenda

1. **Q1 Operating Highlights**
2. **Element Fleet**
3. **Commercial Finance**
4. **Q1 Financial Overview**
5. **Separation Update**
6. **Supplementary Disclosure**
7. **Summary**



Steven Hudson
CEO

Q1 OPERATING HIGHLIGHTS

Q1 Operating Highlights

Summary

- \$0.35 per share of after-tax adjusted operating income in line with consensus versus \$0.35 in the previous quarter and \$0.21 in the same period last year
- \$0.45 per share of pre-tax adjusted operating income versus \$0.40 in the previous quarter and \$0.27 in the same period last year
- Total earning assets (“TEA”) of \$19.4B versus \$20.5B at the end of the previous quarter and \$10.1B at the end of the same period last year
 - Comparison to the end of the previous quarter impacted by appreciation of Canadian dollar over the other operating currencies, representing a change of ~5% in the closing balances
- Consolidated Fleet earning assets (including the GE acquisition) grew by 7.8% on a currency neutral basis from the end of Q1 2015
- Originations exceeded \$2.1 billion (75% fleet) in line with consensus estimates
- Oil & gas industry exposure unchanged from previous quarter

Q1 Operating Highlights

Summary

- Book value per share was \$12.61 compared to \$13.43 at December 31, 2015 reflecting impact of foreign exchange on permanent equity in foreign operations. On a currency neutral basis, book value per share would have increased by \$0.23 over December 31, 2015
- Continued strong asset quality
 - 99.7% of portfolio remains current
 - 99% rail utilization
- GE Fleet integration sufficiently advanced to re-engage in M&A initiatives
- Oversubscribed ABS offerings raised more than \$1.1 billion to permanently fund Fleet and Rail assets in Q1

Key Takeaways

- **Strong first quarter for all businesses**
- **Exceptional performance in Element Fleet**
- **Strong growth in Fleet Service and Fee revenue that now exceeds 50% and Fleet's ROAA at 3.9%**

Element Fleet has emerged as a Leading Services Company

Q1 Operating Highlights

Strong Year-Over-Year Growth

- Element Fleet TEA (including the GE Acquisition) grew by 7.8%, on a currency neutral basis over Q1 2015
- Commercial Finance grew TEA 35% over Q1 2015

	Service Revenue		Originations		Total Earning Assets ⁽¹⁾	
\$ millions	Q1 2015	Q1 2016	Q1 2015	Q1 2016	Q1 2015	Q1 2016
<i>Element Fleet</i>	41.3	133.9	663.7	1,590.3	5,179.8	12,760.9
<i>Commercial Finance</i>						
Commercial & Vendor			367.2	352.7	2,133.4	2,893.4
Rail Finance			161.2	51.3	1,414.4	2,230.4
Aviation Finance			265.3	119.5	1,336.2	1,468.4
			793.7	523.5	4,884.0	6,592.2
<i>Aviation Fund (Assets under Management)</i>						1,924.0

(1) Aviation Fund represents assets under management

Q1 Operating Highlights

Performing on Plan

- Company operating on Plan and seeing improved margins from increased Fleet service revenue and impact of integration savings
- Before-tax Adjusted Operating Income per Share was \$0.45 for the quarter compared to \$0.40 during preceding quarter, a 13% increase from growing Fleet Management service revenue and integration gains
- After-tax Adjusted Operating Income per Share was \$0.35 in line with consensus
- Tax rate in line with management expectation at 22%, higher than the 18% for fiscal 2015 from increased US activities; forecasted 2016 tax rate of 22%
- Tangible leverage was 4.58:1 compared to 4.57:1 at December 31, 2015 in line with expectation on mix of businesses and funding model
- Before Tax Return on Average Earning Assets of 3.62% at highest level from increased Fleet service revenue and impact of integration initiatives
- Before Tax Return on Equity was 13.9% during quarter compared to 12.6% during preceding quarter

Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Before-tax Adjusted Operating Income per Share							
\$0.14	\$0.21	\$0.25	\$0.27	\$0.31	\$0.32	\$0.40	\$0.45
After-tax Adjusted Operating Income per Share							
\$0.11	\$0.16	\$0.19	\$0.21	\$0.23	\$0.26	\$0.35	\$0.35
Tangible Leverage							
1.35:1	3.47:1	3.72:1	3.92:1	3.07:1	4.53:1	4.57:1	4.58:1
Before Tax Return on Average Earning Assets							
3.30%	3.06%	3.36%	3.30%	3.55%	3.30%	3.30%	3.62%
Before Tax Return on Equity							
7.90%	9.69%	10.93%	11.01%	12.26%	11.22%	12.57%	13.90%

Q1 Operating Highlights

Element Fleet Revenue Mix

- Total Service and Fee Revenue as a percent of total Fleet revenue improved in Q1 to 56% overall
- Driven by higher overall fleet service revenues, syndication revenue and earlier than expected asset management income
- Excellent progress in upselling fleet service products to generate service revenue, validates the conclusion that Element Fleet has emerged as a services company

Total Fleet Revenue	Q1 2015	Q4 2015	Q1 2016
Total Service & Fee Revenue ⁽¹⁾	\$41.3	\$109.7	\$133.9
Spread Revenue	\$39.7	\$96.5	\$105.2
Total Fleet Revenue	\$81.0	\$206.2	\$239.1

% of Total Fleet Revenue	Q1 2015	Q4 2015	Q1 2016
Total Service & Fee Revenue ⁽¹⁾	51%	53%	56%
Spread Revenue	49%	47%	44%

(1) Fleet management service fees plus syndication and other income

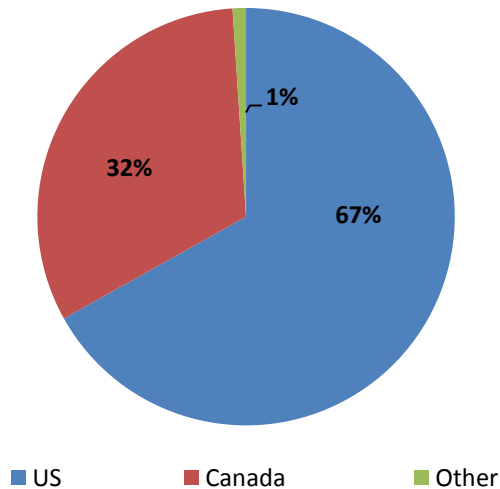
Q1 Operating Highlights

Geographic Diversification

- US market remains the main source of Element's earnings and asset growth
- Canadian market exposure decreased from 32% to 16% over the last 12 months, as a result of the GE US Fleet acquisition

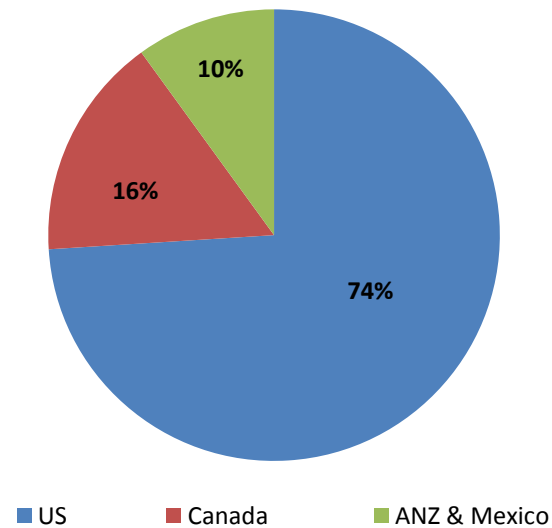
Earning Assets by Region

March 31, 2015



Earning Assets by Region

March 31, 2016





Bradley Nullmeyer
CEO

ELEMENT FLEET

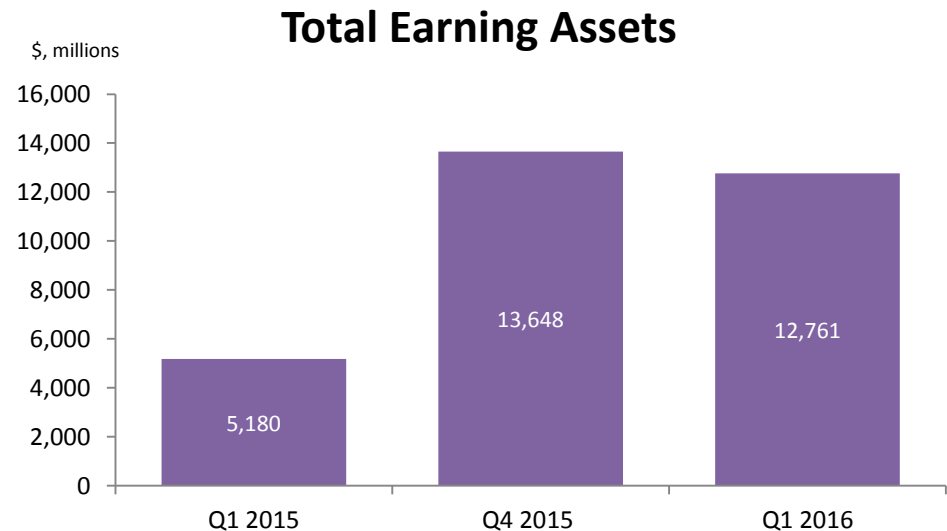
Now A Service Company

- On separation, Element Fleet will be the largest publicly traded Fleet Management Services company in the world
- More than >50% of Element Fleet's revenue is now derived from Service and Fee revenue
- Scale drives costs down and increases opportunities to access the untapped self-managed segment of the market
- Significant purchasing power, scale, and leverage combined with an extensive North American supplier network
- Combined offerings of financing, services and exceptional consulting are "best in class" and provide a compelling value proposition.

Element Fleet is a Leading Provider of Global Fleet Management Services
A Leading "Service Company"

Fleet Management – Total Earning Assets

- Solid year-over-year growth in Fleet's total earning assets
- Consolidated Fleet earning assets (including the GE acquisition) grew by 7.8% on a currency neutral basis from the end of Q1/2015, flat over Q4/2015
- Stable total earning assets drive increased service revenues
- Reduction in Total Earning Assets results from improvement of CAD over other operating currencies



Highlights

- Fleet's organic year-over-year growth in Total Earning Assets (including the GE acquisition) was 7.8% on a currency neutral basis
- Growth in service revenue resulted in higher Revenue Yield in Q1 of 9.2%
- Total services and fee revenue equal to 56% of total revenue
- ROAA increased to 3.9% due to improved Revenue Yield plus reduced cost of funds and OPEX in the Quarter
- Successfully closed the first post GE Fleet acquisition ABS in the amount of \$875 million
- Management announcement made to prepare for post separation
- On track to exit Q4-2016 at +4.0% ROAA

	Q1 2015		Q4 2015		Q1 2016	
Financial Revenue Yield	8.0%		8.4%		9.2%	
NIM Yield	6.4%		6.2%		7.1%	
Adjusted OpEx Ratio	3.2%		3.3%		3.2%	
ROAA ⁽¹⁾	3.1%		2.9%		3.9%	
Average Debt Advance Rate ⁽²⁾	101.6%		98.1%		98.6%	
% of Total Average Earning Assets	54.2%		68.1%		66.6%	
Originations (\$ millions)	Q1 2015		Q4 2015		Q1 2016	
US	\$513.0	77.3%	\$1,263.3	78.0%	\$1,300.9	81.8%
Canada	\$150.7	22.7%	\$146.8	9.1%	\$138.4	8.7%
Australia, New Zealand & Mexico	\$0.0	0.0%	\$210.0	12.9%	\$151.0	9.5%
	\$663.7	100%	\$1,620.1	100.0%	\$1,590.3	100.0%

(1) Adjusted Operating Income on Average Earning Assets

(2) Average Debt as a percent of Average Earning Assets

(3) Fleet only originations

Integration Update

- Integration is on track and on budget
- Annualized integration savings of \$100 million will be achieved by the end of the year
- Detailed regular integration updates are being provided to Element's Board of Directors
- Additional integration savings above US\$100 million identified, will be reinvested into accelerating Fleet product development in 2017
- Accelerated product and service innovation drives:
 - Accelerated fleet service revenue growth
 - Increased customer loyalty
 - Industry leading data analytics
- Integration process is in advanced stages, and now positions Element Fleet to re-engage in M&A opportunities in H2 2016

Summary

- Element Fleet has emerged as a Leading Service Company
- Largest and most comprehensive ownership of global benchmarking data set for customer consulting and portfolio management
- Proven stable performance through economic cycles and downturns due to:
 - Access to stable funding sources
 - Pristine credit quality with negligible credit losses
 - Resilient and predictable annuity-like revenue streams
- Ability to offer global solutions in 45+ countries through Element Arval (BNP Paribas Strategic Partnership)
- Size provides scale for significant investment in new fleet technologies, new product offerings and compelling value proposition
- Experienced leaders in transformations through technology
- Integration achievements position Element Fleet to re-engage in M&A opportunities in H2 2016



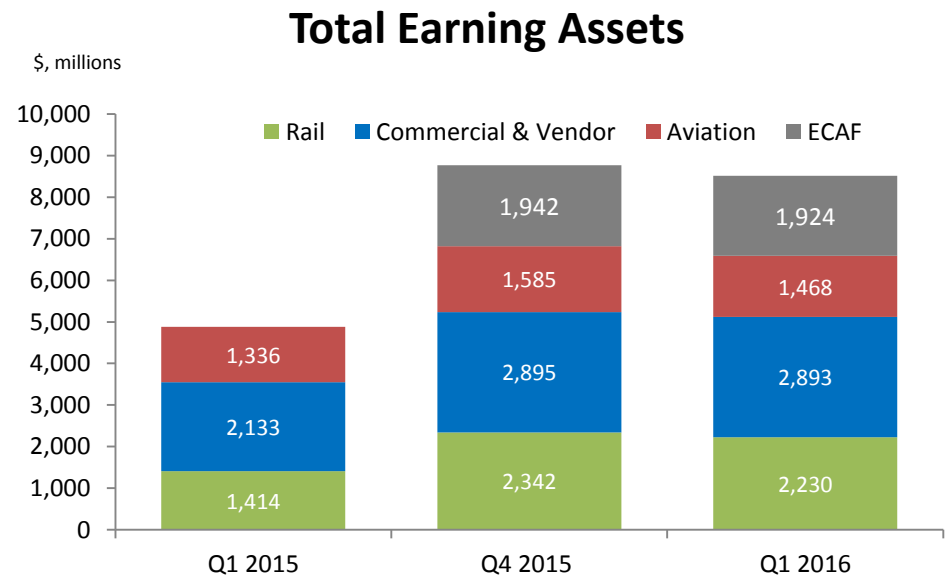
Steven Hudson
CEO

COMMERCIAL FINANCE

Commercial Finance

Highlights

- Transition Commercial Finance into an integrated structuring, advisory and asset management business
- Rail originations from Trinity program and direct program deferred (i.e. temporarily reduced) reduced to position for portfolio and secondary market opportunities
- On Balance Sheet Aviation portfolio assets in run-off
- Aviation Fund \$1.9B of assets under Management; Family of Funds underway



Commercial Finance

Aviation: Transition To Asset Manager

Wind down of General Aviation

Wind down of General Aviation portfolio will accelerate through 2016

Target balance by year end of C\$700 -\$750 million (including some retained vendor programs); run off could occur sooner

Strong Investor interest

Strong investor interest for co-investing (Aviation and multi-asset transportation funds)

A number of Funds are under development based on investor input

Transition to asset manager underway and is progressing

Increased Profitability

Leverage our capital, structuring expertise and industry relationships

Target return for Element: 12 to 16% pre tax ROE

Up front structuring and advisory fees: 0.50% to 0.75% of total assets

Ongoing admin/management fees: 0.25% to 0.75% of AUM

Commercial Finance

Aviation: Transition To Asset Manager Well Advanced



ECAF I:

- Closed June 2015
- US\$ 1.6 billion
- 48 commercial aircraft
- Operating leases
- ABS Deal of the Year
- Capital Markets Deal of the Year
- Target IRR: mid teens

ECAF II:

- Target launch Q2 2016
- US\$ 1.1 billion
- Commercial aircraft
- Operating leases
- Target IRR: mid teens

Transportation Fund I:

- Target launch late 2016
- US\$ 0.5 billion
- Aviation, Rail and other assets
- Operating leases, finance leases, loans (i.e. across the capital structure)
- Target IRR: low teens

US \$3.2 Billion Family of Funds

Commercial Finance

Aviation Highlights

- Q1 2016 versus Q4 2015:
 - Decline in Net Interest Margin due to lower syndication fees earned
 - Run off of existing balances were in line with our expectations on a currency neutral basis
 - Originations from retained vendor program and committed deals were as expected

	Q1 2015	Q4 2015	Q1 2016
Originations (C\$ millions)	265.3	305.5	119.5

	Q1 2015	Q4 2015	Q1 2016
Financial Revenue Yield	9.4%	8.2%	7.3%
Net Interest Margin Yield	6.7%	5.9%	4.6%
Adjusted OpEx Ratio	0.8%	0.7%	0.8%
ROAA ⁽¹⁾	5.9%	5.2%	3.8%
Actual Debt Advance Rate ⁽²⁾	60.7%	65.2%	62.5%
% of Total Average Earning Assets ⁽³⁾	11.5%	6.9%	7.5%

(1) Adjusted Operating Income on Average Earning Assets

(2) Average Debt as a percent of Average Earning Assets

(3) Exposure to CHC Helicopter less than 0.5% of Element's Assets

Commercial Finance

Rail Is Well Positioned

Market Headwinds

- Excess industry production
- Weak commodity markets
- Decline in railcar loadings (predominantly coal)
- Increased railcar velocity
- Short term pressure on lease rates and utilization



Risk Mitigation

Element's Strong Portfolio

- Young fleet (4.3 years)
- Insignificant coal exposure
- Strong credits
- Long lease terms & evenly distributed
- Few near term renewals (~6% in 2016)
- 99% Utilization

- Secondary markets continue to support leased railcar values demonstrating continued institutional demand for leased railcars
- Element Rail reduced or deferred originations from the Trinity Program and Element's direct business to be well positioned to take advantage of market opportunities in the secondary market in 2016

Commercial Finance

Rail

Highlights

- Originations reduced to \$51.3 million for the Quarter
- Revenue Yield & ROAA declined versus the prior quarter:
 - Q4 benefited from gain on sale of railcars due to portfolio rebalancing
 - Maintenance costs higher in period due to timing of repairs
 - Increased leverage lowered our ROAA
- Guidance for remainder of 2016 (C\$'s):
 - Originations Volume of \$200 to \$350 million weighted towards Q4 / late Q3
 - Derived from Trinity Program and our direct business
 - Secondary market transactions will be pursued opportunistically

(1) Adjusted Operating Income on Average Earning Assets

(2) Average Debt as a percent of Average Earning Assets

	Q1 2015	Q4 2015	Q1 2016
Originations (C\$ millions)	161.2	197.6	51.3

	Q1 2015	Q4 2015	Q1 2016
Financial Revenue Yield	7.4%	8.5%	6.9%
Net Interest Margin Yield	4.1%	5.3%	3.5%
Adjusted OpEx Ratio	0.9%	0.9%	0.9%
ROAA ⁽¹⁾	3.2%	4.4%	2.5%
Actual Debt Advance Rate ⁽²⁾	77.4%	75.3%	79.8%
% of Total Average Earning Assets	13.0%	11.0%	11.6%

Vendor Finance

- Vendor Finance is transitioning to an integrated structuring, advisory and asset management business
- Opportunities identified to create Vendor Finance investment funds
- Seasonality in originations typically experienced from Q4 to Q1 due to end of year capital spending
- US originations increased by 2.9% over last year. Reduction in originations from Q4 as a result of reduced funding activities for a single transportation vendor program to remain within internal concentration limits. Non-transportation originations have more than doubled in Q1 2016 from Q1 2015
- Canadian originations decreased by 23.2% in Q1 2016 over the previous period and by 22.5% over the Q1 2015 period due to continued cautious approach to Canadian market place
- Overall ROAA was down from Q4 due to lower syndication revenue and up year over year by 60 bps
- Portfolio performance continues to perform well with minimal exposure to Oil & Gas sector (2.7% of finance assets)

Originations (\$ millions)	Q1 2015	Q4 2015	Q1 2016
U.S.	268.3	322.0	276.1
Canada	98.9	99.7	76.6

	Q1 2015	Q4 2015	Q1 2016
Financial Revenue Yield	7.2%	8.1%	7.7%
Net Interest Margin Yield	4.3%	5.1%	4.5%
Adjusted OpEx Ratio	1.8%	1.6%	1.4%
ROAA ⁽¹⁾	2.5%	3.5%	3.1%
Average Debt Advance Rate ⁽²⁾	81.2%	84.6%	89.3%
% of Total Average Earning Assets	21.3%	14.0%	14.3%

(1) Adjusted Operating Income on Average Earning Assets

(2) Average Debt as a percent of Average Earning Assets



Michel Beland

Chief Financial Officer

Q1 FINANCIAL OVERVIEW

Q1 Financial Highlights

Balance Sheet

GE Fleet Acquisition Favorably Impacts Financial Position over comparable Q1 2015

- Total Earning Assets declined slightly at March 31, 2016 compared to amounts reported at December 31, 2015 resulting from appreciation of the Canadian dollar over all of its operating currencies resulting in lower assets of approximately 4.9%. On a currency neutral basis, total assets have remained constant.
- Total assets declined to \$23.9 billion at March 31, 2016 or 4.9% from amounts at December 31, 2015 from appreciation of Canadian dollar over all operating currencies between the reporting dates.
- Total earning assets declined to \$19.4 billion at March 31, 2016 compared to amounts reported at December 31, 2015 also from improvement in Canadian dollar over operating currencies between the two dates.
- Book equity retracted from the impact of the Canadian dollar appreciation off-set by after-tax operating income during the quarter.
- Tangible leverage ratio increased marginally to 4.58:1 at March 31, 2016 compared to 4.57:1 at December 31 2015

	Q1 2015	Q4 2015	Q1 2016
Total assets	12,531	25,163	23,934
Total earning assets ⁽¹⁾	10,064	20,470	19,353
Book equity	3,059	5,718	5,402
Financial leverage ratio	2.97	3.27	3.31
Tangible leverage ratio ⁽²⁾	3.92	4.57	4.58

(1) Total earning assets = Net investment in finance receivables + Equipment under operating leases + Investment in managed fund

(2) Convertible debentures as both equity and debt

Q1 Financial Highlights

Income Statement

GE Fleet Acquisition Favorably Impacts Operating Results over Q1, 2015

- Interest income and net rental revenue increased by 116% over Q1, 2015 and 3% over Q4, 2015
- Interest expense increased by 132% over Q1, 2015 and 4% over Q4, 2015
- Average financial leverage increased to 3.4:1 at March 31, 2016 compared to 3.3:1 at December 31, 2015
- Adjusted operating expenses increased by 129% over Q1, 2015 but decreased by 1% over the preceding quarter
- Adjusted operating income before income taxes increased by 133% over Q1, 2015 and 13% over Q4, 2015 from improved net interest margins and increased Fleet management and Other fees
- Adjusted operating income after tax increased by 137% over Q1, 2015 and remained stable over Q4, 2015 where increased pre-tax income was off-set by higher income taxes following reduced tax rate in Q4, 2015 from year end adjustments

	3 Months Ended (\$ thousands)		
	Q1 2015	Q4 2015	Q1 2016
Interest income and net rental revenue	137,200	287,991	296,990
Interest expense	53,602	119,521	124,341
Net Margin	83,598	168,470	172,649
Fleet Management Fees and Other Revenues	53,347	128,609	140,332
Provision for credit losses	3,227	7,360	3,221
Net financial income	133,718	289,719	309,760
Adjusted operating expenses	55,328	128,181	126,860
Adjusted operating income before taxes	78,390	161,538	182,900
Adjusted operating income after taxes	60,442	143,478	143,342

Q1 Financial Highlights

Yields

GE Fleet Acquisition Favorably Impacts Operating Results over Q1, 2015

- Net margin in line with Q4, 2015 comparable statistics and slightly below Q1, 2015 from lower yield from Fleet business
- Interest expense was 2.46%, a slight increase from the 2.43% reported during Q4 2015 and an increase from the 2.26% reported in Q1, 2015 from increases in base rates
- Fleet Management Fees and Other Revenues improved to 2.77% of average earning assets from 2.63% during Q4, 2015 and 2.26% during Q1 2015 from increased Fleet activities
- Provision for credit losses improved from Q1, 2015 due to increases in Fleet assets and improved from Q4, 2015 which included year end adjustments. Provision in line with mix of businesses
- Net financial income increased to 6.13% from 5.91% during Q4, 2015 and 5.64% during Q1 2015 from increased Fleet management activities and efficiencies
- Adjusted operating expenses were 2.51% during the quarter, an improvement from the 2.61% during Q4, 2015 from impact of synergies beginning to be realized. Increase over Q1 2015 due to higher cost of increased Fleet activities from GE acquisition

	As a % of Average Earning Assets 3 Months Ended		
	Q1 2015	Q4 2015	Q1 2016
Interest income and net rental revenue	5.78%	5.87%	5.88%
Interest expense	2.26%	2.43%	2.46%
Net Margin	3.52%	3.43%	3.42%
Fleet Management Fees and Other Revenues	2.26%	2.63%	2.77%
Provision for credit losses	0.14%	0.15%	0.06%
Net financial income	5.64%	5.91%	6.13%
Adjusted operating expenses	2.34%	2.61%	2.51%
Adjusted operating income before taxes	3.30%	3.30%	3.62%
Adjusted operating income after taxes	2.55%	2.92%	2.84%

Q1 Financial Highlights

Return on Average Equity

GE Fleet Acquisition Favorably Improves Return on Average Equity

- Before-tax adjusted operating income on average equity was 13.90% for quarter compared to 12.57% and 11.01% for the previous quarter and comparative quarter of the previous year
- After-tax adjusted operating income for the quarter reflects one-time year end adjustment recorded at during Q4 2015.

	3 Months Ended		
	Q1 2015	Q4 2015	Q1 2016
Before-tax adjusted operating income ⁽¹⁾	11.01%	12.57%	13.90%
After-tax adjusted operating income	8.28%	11.08%	10.74%

(1) Reported Average Operating Income on Average of Common Shareholders' Equity

Q1 Financial Highlights

Per-Share Amounts

GE Fleet Acquisition Favorably Contributes to Increased EPS

- Pre-tax adjusted operating income per share of \$0.45 up from \$0.40 during preceding quarter and from \$0.27 during Q1 2015
- After-tax adjusted operating income of \$0.35 compared to \$0.35 during preceding quarter reflects higher tax rate over Q4 2015 due to year end adjustments
- Pre-Tax adjusted Operating Income adds \$0.10 per share from the deferral of cash taxes
- Book value per share decreased to \$12.61 from the \$13.43 reported at December 31, 2015 impacted from the retraction of the foreign operating currencies against the Canadian dollar at the end of the periods
- Maintain timing benefit of ~12 year tax deferral on a consolidated basis

	As at, and for the 3 Months Ended		
	Q1 2015	Q4 2015	Q1 2016
Pre-tax adjusted operating income (basic)	\$0.27	\$0.40	\$0.45
After-tax adjusted operating income (basic)	\$0.21	\$0.35	\$0.35
Book value	\$10.20	\$13.43	\$12.61

Q1 Financial Highlights

Low Risk Assets/Minimal Credit Losses

Highlights

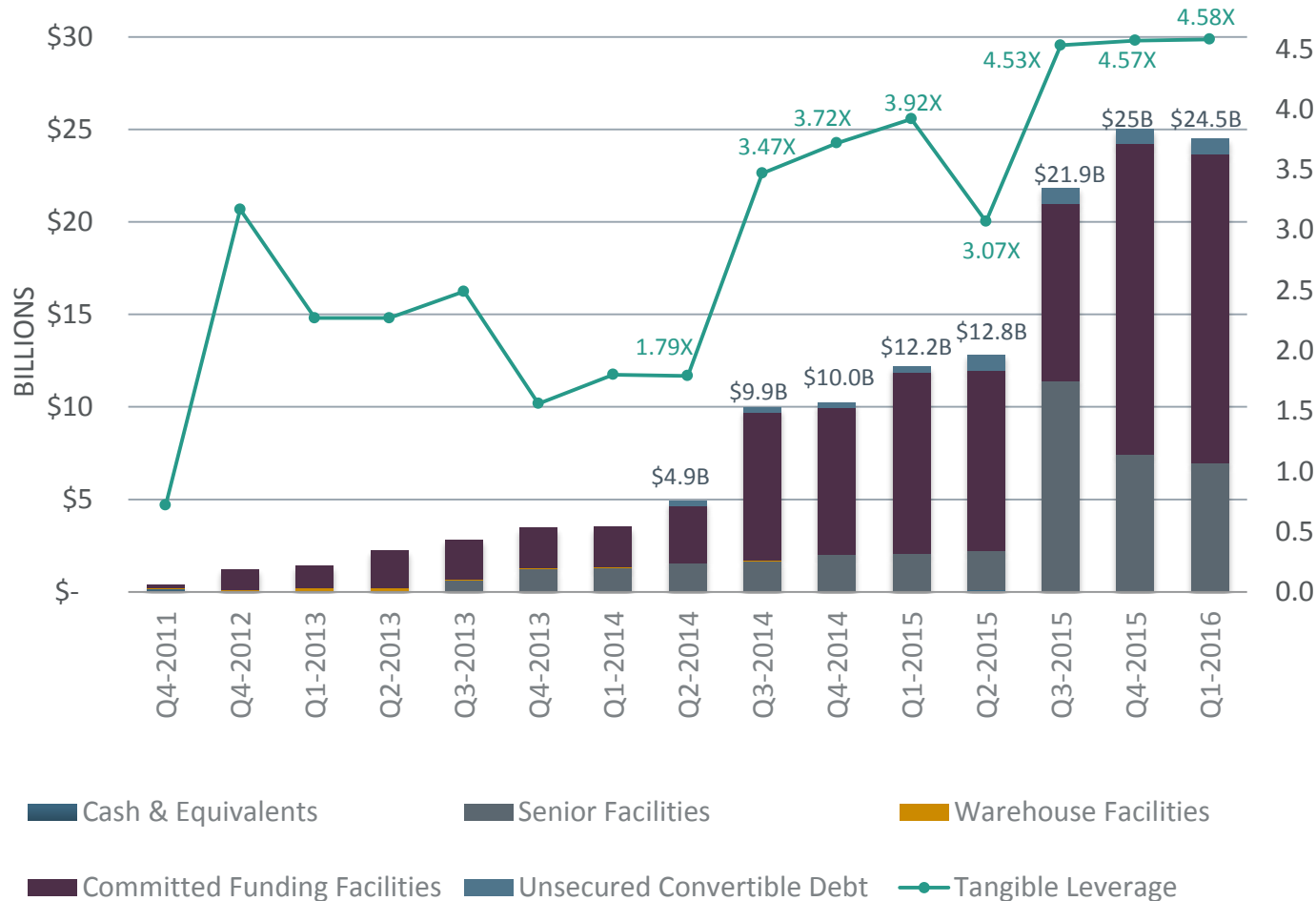
- Overall portfolio reflects continued quality of assets and high level of rated customers
- Non-current accounts consistent over last four quarters
- Impaired assets below average of last four quarters but slightly up from Q4, 2015; no changes in trends
- Allowance for credit losses at conservative 18 bps of finance receivables from mix of finance receivables

	Delinquencies as a % of Finance Receivables		
	Fiscal 2015 (1)	Q4 2015	Q1 2016
Non-current (> 31 days)	0.22	0.16	0.20
Impaired	0.08	0.03	0.06
Allowance for credit loss (as a % of total finance assets)	0.19	0.19	0.18

(1) Average for fiscal 2015

Q1 Financial Highlights

Balance Sheet Capacity to Fund Planned Growth



Committed facilities amounted to C\$23.6 billion as of March 31, 2016

At March 31, 2016, Element had C\$6.5 billion in committed and available financing to fund ongoing originations into 2017

Committed facilities are supplemented by access to the ABS market to fund both Rail and Fleet verticals

Debt maturities matched to asset run off with repayment schedule mirroring expected debt repayments

Q1 Financial Highlights

Funding Vehicles & Liquidity

- Funding strategy: Matched funding for maturity, currency and interest rates
- Matched funding program ensures:
 - No exposure to foreign exchange variations on assets
 - Spread fixed over term of debt
 - No liquidity events, term 3-year Revolving Senior Facility
- Robust US Fleet funding vehicle funded throughout last credit crisis, funding \$2.2 billion in 2009 in the ABS markets
- As at March 31, 2016, the Company had C\$23.6 billion in committed facilities, with committed and available funding capacity of C\$6.5 billion



Steven Hudson
CEO

SEPARATION UPDATE

Separation Benefits

- February 2016 announcement to separate Element into two market leading public companies
 - Element Fleet Management – World's largest publicly-traded Fleet Management Service Company
 - Commercial Finance – North American leader in commercial finance transitioning to an asset management model. Operating as Aviation, Rail & Vendor Finance
- Focused Independent Businesses driven by Proven Executives
 - Each Company will devote 100% of its resources and focus on its core market without distraction
 - Element Fleet will pursue organic growth opportunities driven by a dominant service opportunities, integration savings (\$100M+) and strategic tuck-in acquisitions
 - Commercial Finance will continue its transition to an asset management model; family of institutional funds within core verticals
- Improved Cost of Capital and Attractive Funding Profiles
 - Element Fleet will pursue improved investment grade credit ratings and benefit from the associated capital advantages enjoyed by other fleet companies
 - Commercial Finance will transition to an asset management business and as a result will have modest funding requirements with the vast majority of liquidity needs met by its institutional Funds

Separation Benefits

- Proven Access to Optimal Funding
 - Element Fleet, through its proven funding program (“Chesapeake”) and its balance sheet
 - Commercial Finance, through its Family of Funds and its balance sheet
- Compelling Investment Thesis and Valuation
 - Commercial Finance with significant growth profile, management fees and institutional investor support
 - Element Fleet with stable growth, pristine credit quality, high service revenue, robust funding program and superior valuation
- Compelling Valuation Drivers
 - Element Fleet Management with +50% service and fee revenue, +4.0% ROAA, leading N.A. market share, deep international alliance, predictable asset growth, pristine credit quality, high barriers to entry and proven funding program
 - Commercial Finance with significant growth profile, management fees and institutional investor support as an asset manager
- Fleet’s public company comparables have an average P/E multiple of 18.5x

Separation Update

Fleet Comparables

<i>(mm, except per share amounts)</i>					
Company Name	Price (May 9, 2016)	Market Cap	P / E		P / B
			CY2016E	CY2017E	Current
Eclipx Group Ltd	A\$3.16	A\$764	13.7x	12.3x	1.3x
SG Fleet Group Ltd	A\$3.83	A\$971	16.1x	13.6x	5.1x
FleetCor Technologies Inc	US\$150.15	US\$13,907	22.7x	19.9x	4.7x
WEX Inc	US\$89.64	US\$3,469	21.0x	18.1x	3.1x
Average			18.4x	16.0x	3.5x
Average, ex. High & Low			18.5x	15.9x	3.9x

Source: Thomson Reuters

Process

- Outcome of Feedback and Analysis
 - Input from shareholders looking for a “Fleet Pure Play”; high service revenue component, high ROA and de minimis credit risk
 - Large Fleet assets to be transferred from other verticals as applicable
 - Commercial Finance provides best path to structure rail assets as a fund – will retain Rail assets
 - Element Fleet alone has sufficient tax shelter for 8-10 years with Fleet only assets
 - Excess tax deferral provided by Rail assets has little additional value to Fleet; to be utilized by Commercial Finance
- Benefits of Pure Fleet
 - Provides for a singular focus for management
 - Clear performance and reporting metrics
 - As a service company, 50%+ Service and Fee revenue drives revenue mix, ROAA and ROE
 - Removes barriers to a premium valuation that recognizes Element Fleet’s market leading position
 - Reinforces superior valuation metrics

Process

- An oversight committee of Element's Board of Directors has been established
 - Board members include Bill Lovatt, Richard Venn and Pierre Lortie
- Bill Lovatt, who currently serves as Chairman, will serve as Chairman of the Commercial Finance business, Richard Venn who currently serves as Vice-Chairman, will serve as Chairman of the Fleet business
- Execution by Senior Management team with PricewaterhouseCoopers as Program Lead
 - Under direct leadership of CFO
 - 15 different work streams
 - Over 1,000 action items
 - In excess of 30 employees involved on day to day planning and execution
 - More than 15 external people fully engaged on site
- Key advisors engaged
 - Blake Cassels - Canadian Legal and Tax
 - Ernst & Young - Canadian and US Tax
 - Cravath, Swaine and Moore - US Legal and Tax
 - PricewaterhouseCoopers - Program Lead and FMV valuation (assets)
- Current Status
 - Pro-Forma Balance Sheets and Financial Information completed (see Supplemental Disclosure)
 - On track for separation at end of Q3-2016
 - Effective operational separation by the end of Q2-2016

Structure Overview

- Planned transaction structure is a “butterfly” transaction of Commercial Finance; Element Fleet and Commercial Finance become separate public companies
- Butterfly transaction to be effected by a court-approved plan of arrangement under OBCA, final structure to be tax neutral to Element shareholders
- After implementation, Element common shareholders will hold one common share of Element Fleet and one common share of Commercial Finance
- Management proxy circular detailing separation transaction to be mailed to shareholders in mid-August
- Transaction subject to approval of Element shareholders at special meeting expected to be held in late September 2016
- Targeted closing date of September 30, 2016
- Outstanding preferred shares and convertible debentures to remain with existing company (Element Fleet)
 - Outstanding convertible debenture entitlements will be determined by capital reorganization provisions of indentures governing debentures
- Short-term TSA is to be provided, as needed, between the companies
- Formal dividend policy to be in place prior to year end

Element Fleet - Management & Board Announcements

- Richard Venn – Chairman
- Steven Hudson – Board Member
- Bradley Nullmeyer – CEO
- Michel Béland – CFO
- Karen Martin - Treasurer
- Daniel Jauernig – President & COO
- Kristi Webb – CEO of North American Fleet
- Jim Halliday – EVP of International Fleet
- Kathryn Parkinson – Chief Credit Officer

Commercial Finance - Management and Board Announcements

- Bill Lovatt – Chairman
- Bradley Nullmeyer – Board Member
- Steve Hudson – CEO
- Jim Nikopoulos – Sr. Vice President & General Counsel
- TBD – Chief Financial Officer (TSA to be provided)
- Aviation & Rail Finance
 - David McKerroll – President
 - Bruce Ells – Chief Credit Officer
- Commercial Vendor Finance
 - Don Campbell – President (Commercial & Vendor)
 - Steve Sands – Chief Credit Officer (Commercial & Vendor)
 - Steve Grosso – Chief Operating Officer (US)
 - Todd Hudson – Chief Operating Officer (Canada)

Separation Update

Proposed Timetable

Item	Date
Press release announcing separation	February 16, 2016
Separation Q&A announcing governance structure and management teams	April 5, 2016
Appointment of Board Ad Hoc Committee to oversee separation process	April 5, 2016
Q1 2016 Earnings Release (including supplemental disclosure on separated businesses)	May 11, 2016
Targeted operational separation of two companies	June 30, 2016
Q2 2016 Earnings Release (including supplemental disclosure on separated businesses)	Mid-August 2016
Mailing of Management Proxy Circular for Special Meeting of Shareholders	Mid-August 2016
Shareholder meeting date	Late September 2016
Closing - exchange of Element common shares for Fleet shares and Commercial Finance shares	September/October, 2016
Press release announcing (i) closing and TSX listing date of Commercial Finance shares, and (ii) updated dividend policy Trading of shares of two public companies open for trading on the TSX	September/October, 2016



Michel Beland
Chief Financial Officer

SUPPLEMENTARY DISCLOSURE

Supplementary Disclosure

Basis of Presentation

- Segmented Financial results are presented for the two separate operations of the post separation companies
- Both the results of operations and financial positions of the two entities are presented as reported and on a pro-forma basis
- Element Fleet Balance Sheet pro-forma assets include certain assets that are to be consolidated into Element Fleet at separation. These assets are comprised of over the road trucks and trailers
- Each of the pro-forma Adjusted Operating Income statements are representative of the income derived from the assets that are included in the pro-forma Balance Sheets
- Element Fleet has retained all preferred shares and convertible debentures
- Corporate expenses have been allocated (Allocated Group Costs) on the same basis as the reported financial statements

Supplementary Disclosure

Pro-Forma Balance Sheet – Element Fleet

NOTES:

- Finance Assets include, on a pro-forma basis, certain Fleet assets that were originated and previously reported under Commercial Finance. These Fleet assets will be consolidated into Element Fleet business post separation
- Convertible debentures retained by Element Fleet and shown separately
- Preferred Shares retained by Element Fleet and shown separately
- Resulting post separation tangible leverage of ~7.3:1 in line with target

	March 31, 2016 (\$ billions)	
	As Reported ⁽¹⁾	Pro-Forma the Separation
Finance Assets	\$14.0	\$15.2
Other Assets	\$0.7	\$0.7
Goodwill	\$2.1	\$2.1
	<u>\$16.8</u>	<u>\$18.0</u>
Debt	\$12.8	\$12.9
Convertible Debentures	-	\$0.8
Other liabilities	\$0.4	\$0.4
	<u>\$13.2</u>	<u>\$14.1</u>
Common Equity	\$3.6	\$3.4
Preferred Shares		\$0.5
	<u>\$3.6</u>	<u>\$3.9</u>
Tangible Leverage		7.3

⁽¹⁾ Does not include allocation of Convertible Debentures or Preferred Shares

Supplementary Disclosure

Pro-Forma Adjusted Operating Income – Element Fleet

NOTES:

- Pro-forma separation reflects all income derived from Fleet assets on the Pro-Forma Element Fleet Balance Sheet
- Pro-forma EPS for the Quarter after factoring in preferred share dividends is \$0.26
- Pro-forma full year Fleet EPS is targeted at \$1.12

	March 31, 2016 (\$ millions)	
	As Reported	Pro-Forma the Separation
Interest Income	\$175.0	\$195.5
Interest Expense	\$70.7	\$75.3
	\$104.3	\$120.2
Fleet Management and Other Revenues	\$133.9	\$133.9
	\$238.2	\$254.1
Provision for Credit Losses	\$0.9	(\$1.9)
	\$239.1	\$252.2
Operating Expenses	\$107.9	\$111.5
	\$131.2	\$140.7
Income Taxes (est. at 21.6%)	\$28.3	\$30.4
Net Income	\$102.9	\$110.3
Preferred Share Dividends		\$8.9
Income to Common Shareholders		\$101.4
EPS		\$0.26

Supplementary Disclosure

Pro-Forma Balance Sheet – Commercial Finance

NOTES:

- Finance Assets reflect the re-allocation of Fleet assets to Element Fleet that are to be consolidated into Element Fleet
- Convertible debentures retained by Element Fleet
- Preferred Shares retained by Element Fleet
- Resulting post separation tangible leverage of ~3.3:1 in line with target

	March 31, 2016 (\$ billions)	
	As Reported ⁽¹⁾	Pro-Forma the Separation
Finance Assets	\$6.6	\$5.4
Other Assets	\$0.2	\$0.2
Goodwill	-	-
	<u>\$6.8</u>	<u>\$5.6</u>
Debt	\$5.1	\$4.2
Convertible Debentures	-	-
Other liabilities	\$0.1	\$0.1
	<u>\$5.2</u>	<u>\$4.3</u>
Common Equity	\$1.6	\$1.3
Preferred Shares	-	-
	<u>\$1.6</u>	<u>\$1.3</u>
Tangible Leverage		3.3

⁽¹⁾ Does not include allocation of Convertible Debentures or Preferred Shares

Supplementary Disclosure

Pro-Forma Adjusted Operating Income – Commercial Finance

NOTES:

- Pro-forma separation reflects income derived from Commercial Finance assets included on the Pro-Forma Balance Sheet
- Pro-forma EPS for the Quarter is \$0.09, which does not include growth and rail portfolio acquisition and secondary market opportunities
- Pro-Forma full year EPS is affected by the transition of Commercial Finance to an asset manager, Aviation portfolio run off and reinvestment push into 2017 and Rail market opportunity deferrals
- Prior to transition to asset manager, full year EPS in \$0.46 to \$0.49 range

	March 31, 2016 (\$ millions)	
	As Reported	Pro-Forma the Separation
Interest Income	\$122.0	\$101.5
Interest Expense	\$53.7	\$49.1
	\$68.3	\$52.4
Other Revenues	\$6.6	\$6.6
	\$74.9	\$59.0
Provision for Credit Losses	(\$4.2)	(\$1.4)
	\$70.7	\$57.6
Operating Expenses	\$19.0	\$15.4
	\$51.7	\$42.2
Income Taxes (est. at 21.6%)	\$11.2	\$9.1
Net Income	\$40.5	\$33.1
Preferred Share Dividends	-	-
Income to Common Shareholders		\$33.1
EPS		\$0.09

Supplementary Disclosure

Separation – Summary of Treatment for Debentures

- Element currently has two outstanding series of debentures:
 - \$345M of 5.125% convertible debentures due June 30, 2019 (2014 debentures)
 - Used to partially fund the acquisition of PHH Arval Fleet Management Services business in 2014
 - \$575M of 4.25% convertible debentures due June 30, 2020 (2015 debentures)
 - Used to partially fund the acquisition of GE Capital's Fleet operations in 2015
- 2014 debentures and 2015 debentures will remain outstanding obligations of EFN Fleet business post-separation
- Summary Terms of Debentures and Treatment
 - The indentures governing the Debentures provide for an adjustment to the Conversion Price in certain events, which the proposed separation structure is expected trigger
 - The respective Conversion Prices of the Debentures will be adjusted downward based on the relative fair market value of the Commercial Finance business being spun-out at separation, as determined by the Element Board (in consultant with independent business valuator and advisors)

Supplementary Disclosure

Separation – Summary of Treatment for Debentures

- Example (*based on assumptions made and for illustrative purposes only*)
 - Conversion price for 2015 Debentures – **\$23.80**
 - Assumed market price for Element common shares at the time of separation – **\$18.00**
 - Market price for common shares to be determined by the Element Board based on historical trading price of common shares for a trading period prior to the effective date of the separation
 - Assumed fair market value of the Commercial Finance business being spun-out at separation – **\$5.00** (on a per share basis)
 - Fair market value to be determined by the Element Board
 - The adjusted conversion price for the 2015 Debentures would be:
 - **$23.80 * (\$13.00/\$18.00) = \$17.19$**



Steven Hudson
CEO

SUMMARY

Separation Summary

- Focused Independent Businesses driven by Proven Executives
- Improved Cost of Capital and Attractive Funding Profiles
- Proven Access to Optimal Funding
- Compelling Investment and Valuation Thesis

Fleet's public company comparables have an average P/E multiple of 18.5x

Conclusion

- Element Fleet Stand Alone
 - Reiterate Fleet EPS of \$1.12 for 2016
 - Excludes \$0.13-\$0.14 of Rail that now remain in Commercial Finance
 - Includes accretive EPS from tuck-in acquisitions, as planned
 - Core EPS growth of 8% - 10% targeted for 2017
- Commercial Finance Stand Alone
 - EPS guidance to follow as transition plan is completed to asset manager
 - Aviation Run-off and transition to asset manager well underway
 - Rail reduced or deferred originations to be well positioned to take advantage of secondary market opportunities
- Combined Company
 - Guidance for combined company unchanged, prior to transition to asset manager; but “lumpy” due to rail portfolio opportunities with deferred originations



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