INVESTOR PRESENTATION

Third Quarter 2019

LAURENTIAN BANK

FINANCIAL GROUP

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 include, but are not limited to, statements regarding our business plan and financial objectives including statements contained in our 2018 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 use the conditional, as well as words such as prospect, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurances that these expectations will prove to be correct. Certain important assumptions by us in making forward-looking statements include, but are not limited to, our estimates and statements regarding our business plan and financial objectives including statements contained in our 2018 Annual Report under the heading “Outlook”.

We caution readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors. Among other things, these factors include: changes in capital market conditions, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, changes in competition, modifications to credit ratings, scarcity of human resources, developments with respect to labour relations, as well as developments in the technological environment. Furthermore, these factors include the ability to execute our plan and in particular the successful reorganization of our Retail Services operations, the modernization of our core banking system and the adoption of the Advanced Internal Ratings-Based approach to credit risk (the “AIRB approach”).

We further caution that the foregoing list of factors is not exhaustive. 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 2018 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 the applicable securities laws.

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 the effect of certain 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. Non-GAAP 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.

FRANÇOIS DESJARDINS

President and Chief Executive Officer

LAURENTIAN BANK
FINANCIAL GROUP

Financial Performance

Improvement in core financial performance:

Q3/19 vs. Q2/19

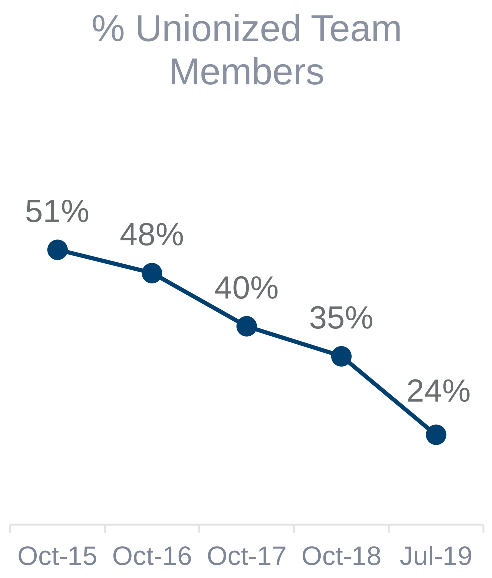
	Adjusted[1]	Reported
Net interest income	up 7%	up 7%
Net interest margin	up 8 bps	up 8 bps
Non-interest expenses	down 2%	down 3%
Efficiency ratio	improved 290 bps	improved 360 bps
Net income	up 6%	up 10%
Diluted EPS	up 6%	up 11%
ROE	up 20 bps	50 bps

Partially offset by:

- Lower other income mainly due to lower capital markets sensitive revenues
- Higher provision for credit losses

(1) Certain measures presented throughout this document exclude amounts designated as adjusting items. Refer to the Non-GAAP Measures appendix for further details.

Culture of Performance



The labour relations environment supports performance on several fronts

- ✓ Limited to specific existing positions (mainly professionals and client-facing positions in Quebec branch network)
- ✓ Prioritizes individual performance and qualifications as key decision-making criteria
- ✓ Attained working conditions comparable to those offered by our competition
- ✓ Gained flexibility (i.e. to outsource and automate administrative activities, to schedule team members working hours around the needs of customers)

Retail branch operations in Quebec can now resume focus on revenue generating activities

Financial Clinics

First Canadian bank to successfully transition our Retail branch network from a traditional offer to 100% Advice

- ✓ 450 advisors in our financial clinics dedicated to helping our clients improve their financial health
- ✓ All of our professionals can now maximize value-added customer-advisor relationships

B2B Bank Digital Launch

B2B Bank going to market with digital bank accounts and deposit products

- ✓ Clients of the independent advisors and brokers across Canada are the first to benefit from our new digital offering
- ✓ Initial feedback from independent advisors and brokers is positive and they appreciate that B2B Bank continues to help them build their business

LBC Digital Launch

Launching across Canada by the end of the Fall

- ✓ Targeting new customers looking for hassle-free deposit products
- ✓ Strategically launching additional digital products to gain new customers

Efficiency

Evolving to a more efficient cost structure by reducing obsolete branch, back-office and administrative work

- ✓ Eliminating non-core administrative activities and duplicate operations
- ✓ Automating and outsourcing credit, adjudication, collections and administrative activities
- ✓ Reducing costs associated with managing traditional branch activities

Growth

Continued focus on profitable growth as we optimize our loan mix and manage risk-weighted assets

- ✓ Business Services: continue to grow by double digits using our industry and product specializations
- ✓ Financial Clinics: clients will benefit from a different customer experience, where the conversation will be about improving their financial health
- ✓ B2B Bank and LBC digital offerings will become a new source of customers

Critical Path

Build a solid foundation

1 Rebuild a proper account management platform

- Implement technology roadmap including new core banking system
- Build proper web/mobile/ATM presence
- Execute a go-digital strategy

2 Right-size and modernize corporate functions

- Invest in governance and compliance
- Enhance and centralize processes
- Enhance and standardize governance across all sectors

3 Develop new brand elements

- Harmonize corporate brand
- Provide opportunities for financial literacy

Invest in profitable growth through meeting client needs

4 Develop competitive product offering

- Simplify current offering
- Align product offering across customer channels
- Build new offering meeting customer needs

5 Build best-in-class Advisor / Account Manager teams

- Drive sales force effectiveness
- Grow the advisor and account manager teams
- Modernize retail distribution
- Invest in advice

6 Better understand and service key client segments

- Focus efforts on key client segments
- Use analytics to better develop relationships
- Seek feedback from our customers on how we can improve

7 Expand distribution geographically

- Play where we can succeed
- Increase direct to client deposit sources
- Rethink and unlock new distribution options

Improve performance

8 Reduce administrative costs

- Streamline non-core administrative functions

9 Better manage capital

- Implement Advanced Internal Ratings Based Approach
- Optimize the product mix

10 Build a culture of performance

- Manage by results and metrics
- Become an employer of choice

FINANCIAL RESULTS

Q3/19 Financial Performance

Adjusted(1)	Q3/19	Q/Q	Y/Y
Net Income ($M)	**$ 51.9**	6%	-13%
Diluted EPS	**$ 1.15**	6%	-14%
ROE	**8.5%**	20 bps	-150 bps
Efficiency Ratio	**70.6%**	-290 bps	90 bps

Reported	Q3/19	Q/Q	Y/Y
Net Income ($M)	**$ 47.8**	10%	-13%
Diluted EPS	**$ 1.05**	11%	-15%
ROE	**7.8%**	50 bps	-140 bps
Efficiency Ratio	**72.7%**	-360 bps	90 bps

Q3/19 Highlights

Y/Y

- Impacted by lower capital market sensitive revenues and higher provisions for credit losses

Q/Q

- Favourably impacted by three additional days in the third quarter
- Strong increase in net interest margin

- Reported measures were impacted by adjusting items such as restructuring charges and items related to business combinations (details on the next page and in the appendix on Non-GAAP Measures)

(1) Certain measures presented throughout this document exclude amounts designated as adjusting items. Refer to the Non-GAAP Measures appendix for further details.

Adjusting Items in Q3/19

($ millions, except per share amounts)	Q3/19			Q2/19		
	Before taxes	After taxes	EPS	Before taxes	After taxes	EPS
Adjusting items						
Restructuring charges						
Severance charges	**$ 1.0**	**$ 0.7**	**$ 0.02**	$ 2.4	$ 1.8	$ 0.04
Other restructuring charges	**0.8**	**0.6**	**0.01**	1.0	0.7	0.02
Total restructuring charges	**1.8**	**1.3**	**0.03**	3.4	2.5	0.06
Items related to business combinations						
Amortization of net premium on purchased financial instruments	**0.3**	**0.2**	**0.01**	0.4	0.3	0.01
Amortization of acquisition-related intangible assets	**3.4**	**2.5**	**0.06**	3.4	2.6	0.06
Total items related to business combinations	**3.8**	**2.8**	**0.07**	3.8	2.9	0.07
Total adjusting items[(1)]	**$ 5.6**	**$ 4.1**	**$ 0.10**	$ 7.3	$ 5.4	$ 0.13

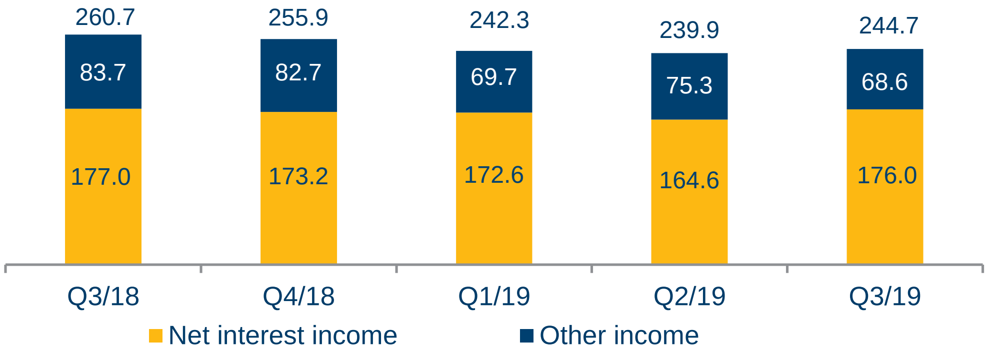
(1) The impact of adjusting items does not add due to rounding.

Total Revenue

($ millions)	Q3/19	Q/Q	Y/Y
Net interest income	**$176.0**	7%	-1%
Other income	**68.6**	-9%	-18%
Total revenue	**$ 244.7**	2%	-6%

Total Revenue

($ millions)



Q3/19 Highlights

Y/Y

- Net interest income down by $1.0M, mainly due to lower loan volumes, partly offset by the higher proportion of higher-yielding loans to business customers and lower level of liquidity
- Other income down by $15.0M, mainly due to lower capital market sensitive revenues

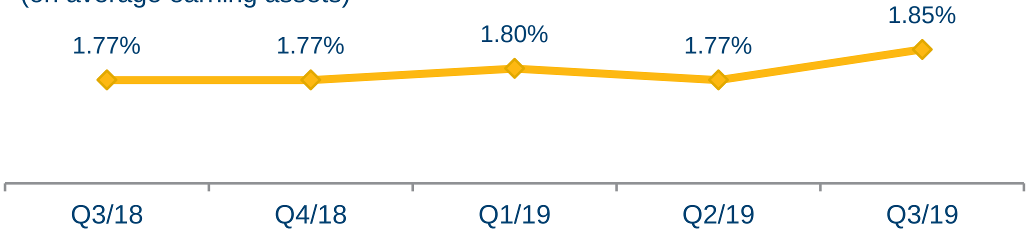
Q/Q

- Net interest income up by $11.5M, mainly due to the positive impact of three additional days in the third quarter, the seasonally higher penalties on residential mortgage loan prepayments and lower level of liquidity
- Other income down by $6.7M, mainly due to lower capital market sensitive revenues

Net Interest Margin (NIM)

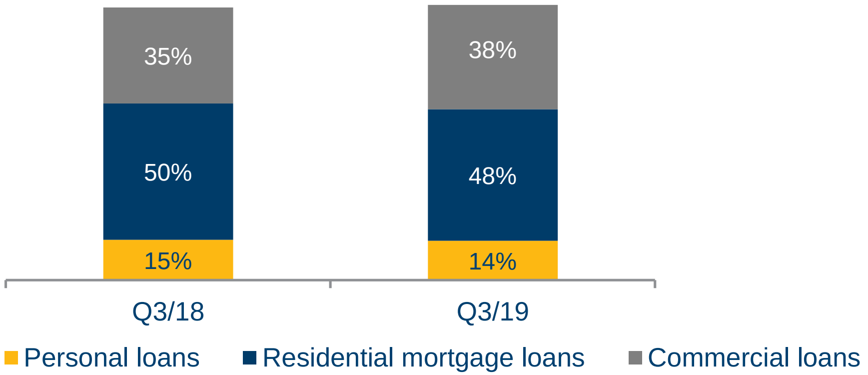
Net Interest Margin

(on average earning assets)



Loan Portfolio Mix

($ billions)



Q3/19 Highlights

Y/Y

- NIM up by 8 bps, mainly as a result of the planned reduction in liquidity given the new labour relations environment, change in the loan portfolio mix and the favourable Prime/BA spread

Q/Q

- NIM up by 8 bps, mainly as a result of the planned reduction in liquidity given the new labour relations environment, higher prepayment penalties and the favourable Prime/BA spread

Other Income

($ millions)	Q3/19	Q/Q	Y/Y
Lending fees	**$ 15.5**	5%	-8%
Deposit service charges	**11.0**	5%	-11%
Card service revenues	**8.4**	-1%	-2%
Fees and commissions on loans and deposits	**$ 34.8**	4%	-7%
Fees and commissions – brokerage operations	**10.3**	-11%	-16%
Commissions on sales of mutual funds	**10.7**	–	- 10%
Fees on investments accounts	**4.4**	-6%	-8%
Income from treasury and financial market operations	**1.7**	-31%	-69%
Insurance income, net	**3.3**	-12%	-14%
Securities gains – brokerage operations	**0.2**	-96%	-94%
Other	**3.2**	-1%	-20%
	$ 68.6	-9%	-18%

Q3/19 Highlights

Y/Y

- Fees and commissions on loans and deposits down by $2.8M – mainly driven by lower lending fees and lower deposit and payment service charges as clients gradually modify their banking behavior
- Weak capital market conditions led to lower market sensitive revenues:
  - Income from treasury and financial market operations down by $3.7M
  - Securities gains on inventory held for brokerage activities down by $3.8M
  - Fees and commissions from brokerage operations down by $1.9M – mostly as a result of a lower activity level

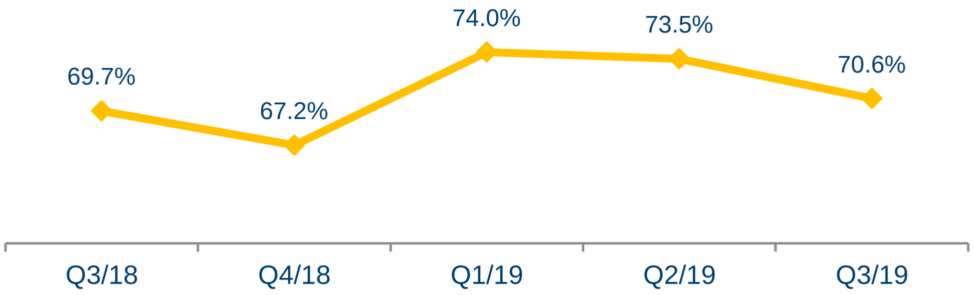
Q/Q

- Improvement in core revenues from loans and deposits
- Capital market sensitive revenues down by $5.9M – mostly driven by lower net gains on inventory held for brokerage activities and, to a lesser extent, by lower other trading activities

Non-Interest Expenses (NIE)

Adjusted NIE ($ millions)	Q3/19	Q/Q	Y/Y
Salaries and employee benefits	**$ 90.1**	–	-3%
Premises and technology	**48.7**	-4%	–
Other	**33.8**	-4%	-15%
	$ 172.6	-2%	-5%

Adjusted Efficiency Ratio



Q3/19 Highlights

Y/Y

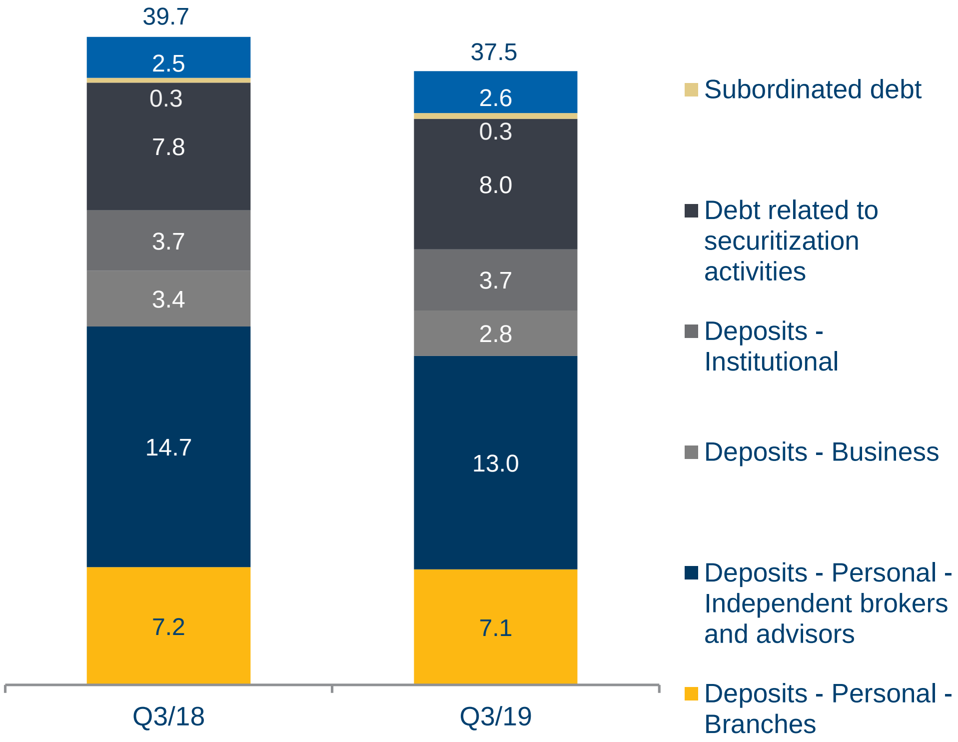
- Adjusted NIE down by $9.0M or by 5% – mainly driven by lower salary expense from lower headcount, lower pension costs, as well as from lower professional fees and labor relation costs

Q/Q

- Adjusted NIE down by $3.6M or by 2% – sequentially lower premises and technology costs and other expenses due to overall good cost control

Well Diversified and Stable Sources of Funding

Funding
($ billions)



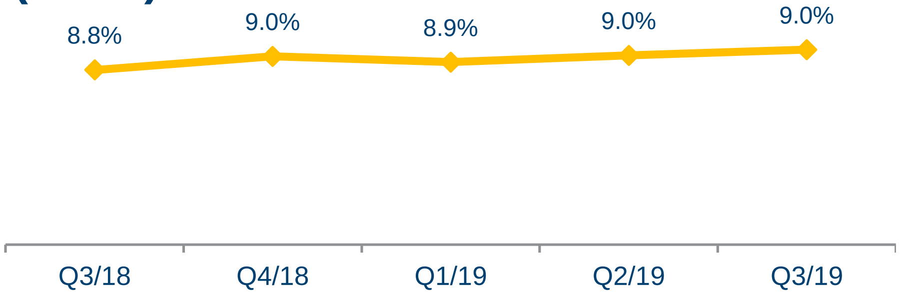
Total deposits: down 2% Q/Q and down 8% Y/Y, in line with loan portfolio and the planned reduction in liquidity

Debt related to securitization activities: up 2% Y/Y

- Continued use of efficient securitization conduits, including during Q3/19:
  - $582.1M securitized residential mortgage loans through the CMHC programs and a third-party purchaser
  - $200.0M securitized investment loans

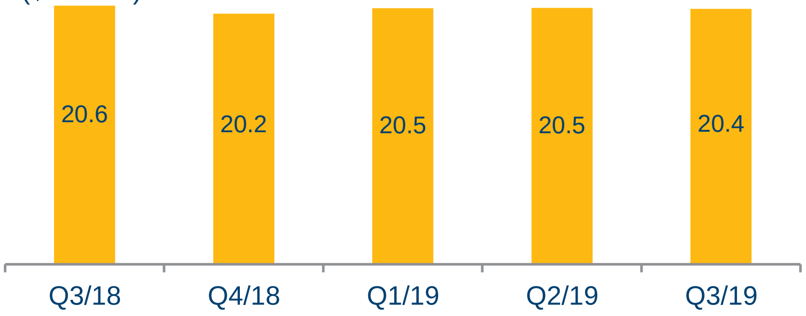
Regulatory Capital

Common Equity Tier 1 Capital Ratio (CET1)

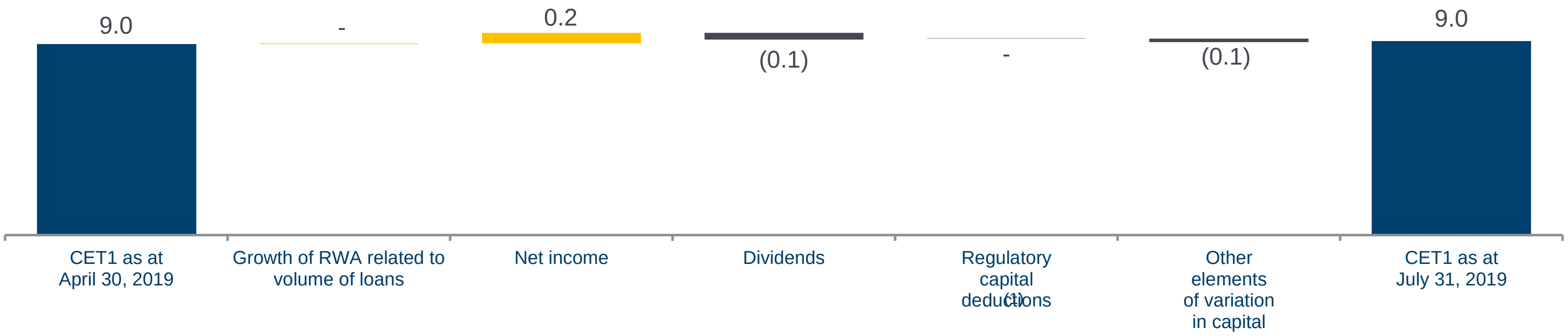


Risk-Weighted Assets (RWA)

($ billions)



Evolution of the CET1 Ratio (in %)



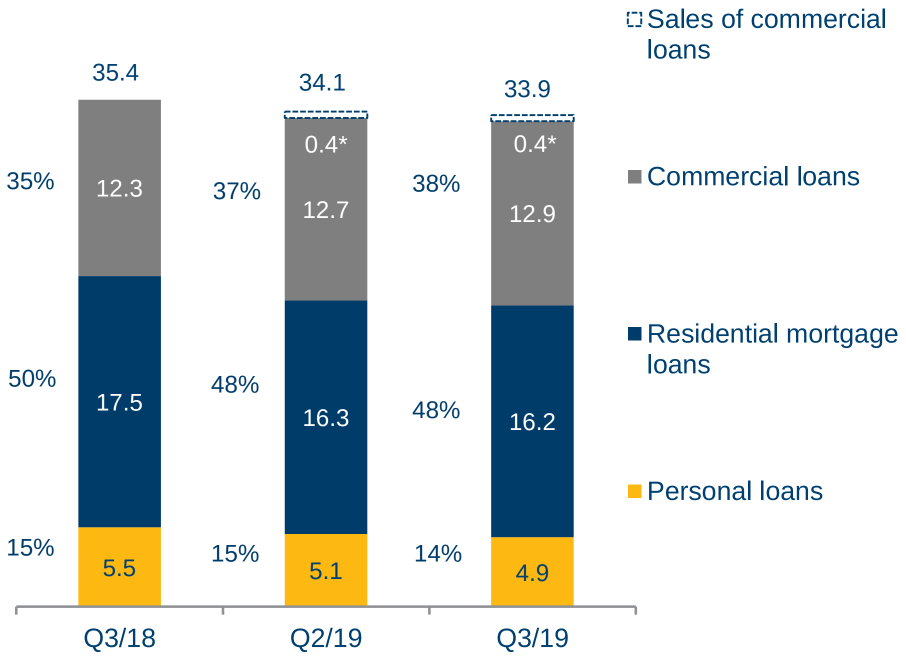
(1) Comprised of deductions for software and other intangible assets, goodwill, pension plan assets and other.

RISK REVIEW

Positioning the Bank for Profitable Growth

Loan Portfolio Mix

($ billions)



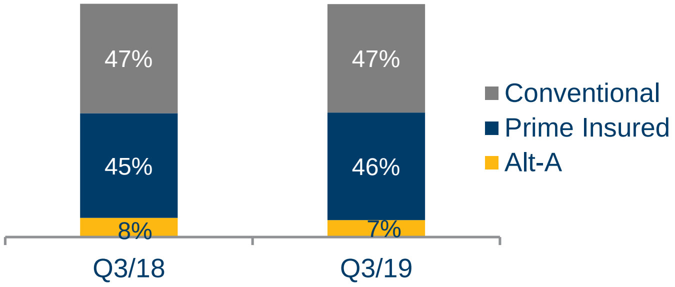
Total loans down $0.2B Q/Q and $1.5B Y/Y, consistent with the continued optimization of our portfolio mix

- Commercial loans and acceptances up 1% Q/Q – growth in real estate and equipment financing loans offset by seasonality and FX impact in inventory financing activities – and up 8% Y/Y (excluding loan sales)*
- Residential mortgage loans down $0.1B Q/Q – gradual decrease in origination as we focus on higher-yielding commercial loans to optimize product mix
- Personal loans down by $0.2B Q/Q – continued reduction in the investment loan portfolio as consumers deleverage

* Cumulative commercial loan portfolio sales of $0.4B in Q2/19 and Q3/19.

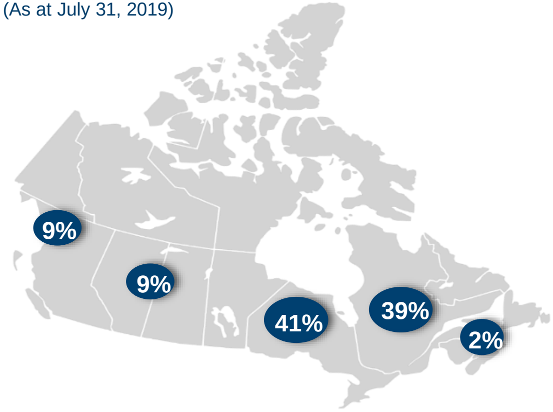
Residential Mortgage Loan Portfolio – High Quality

Insured vs Uninsured



A pan-Canadian Portfolio

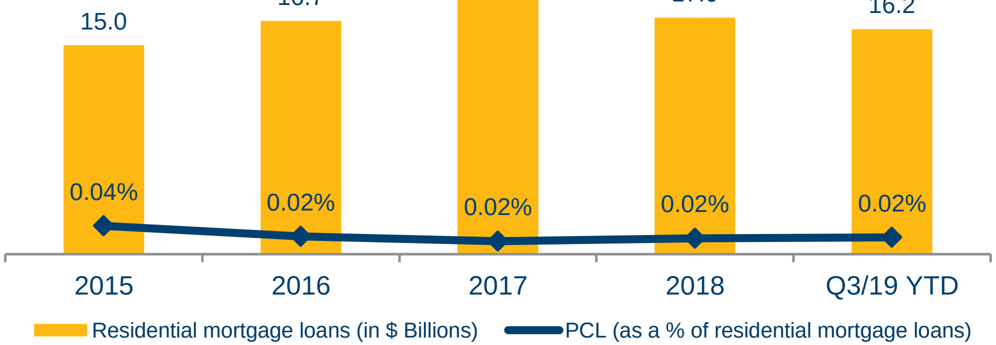
(As a % of residential mortgage portfolio)
(As at July 31, 2019)



Insured, Uninsured & Loan to Value (LTV) by Province – Conservative LTV's

As at July 31, 2019	% of Residential Mortgage Loan Portfolio		LTV %(1)
	Uninsured	Insured	
British Columbia	47%	53%	58%
Alberta & Prairies	22%	78%	71%
Ontario	60%	40%	56%
Quebec	58%	42%	59%
Atlantic Provinces	28%	72%	70%
Total	54%	46%	59%

Strong Credit Quality – Provision for Credit Losses (PCL in %)

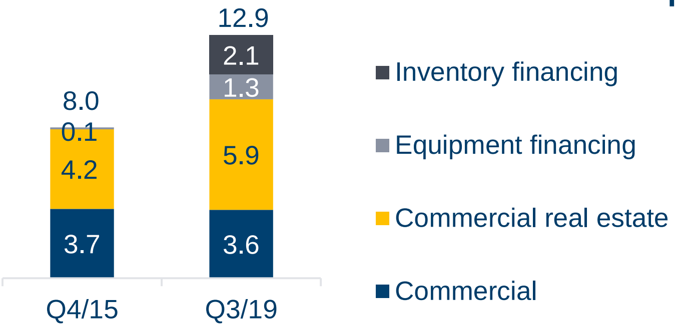


(1) Reflects current estimated value of collateral, including HELOCs.

Commercial Loan Portfolio: Strong, Diversified and Growing

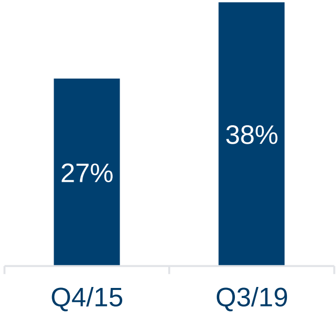
Commercial Loan Portfolio
(In $ Billions)

Grow organically and by acquisition

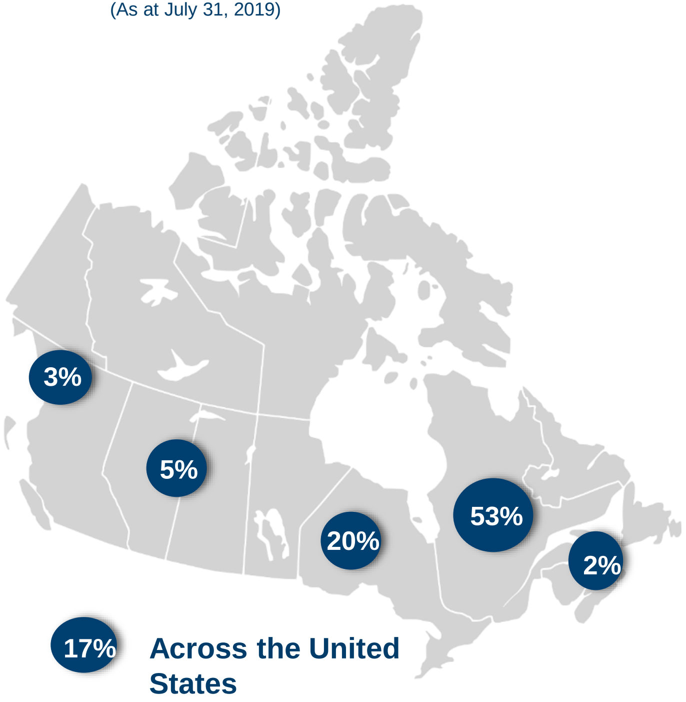


Commercial Loans
(As a % of total loans)

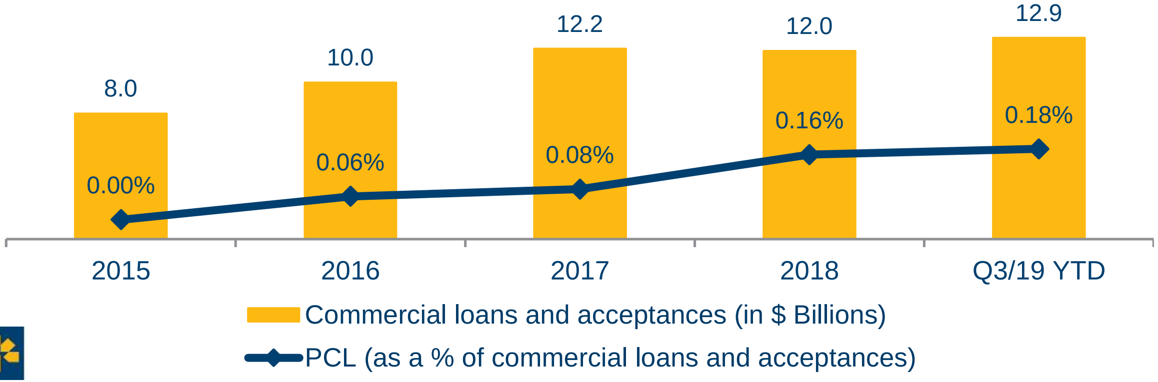
Business mix evolving towards more profitable commercial loans



A pan-Canadian Portfolio and a US Presence
(As a % of commercial loan portfolio)
(As at July 31, 2019)

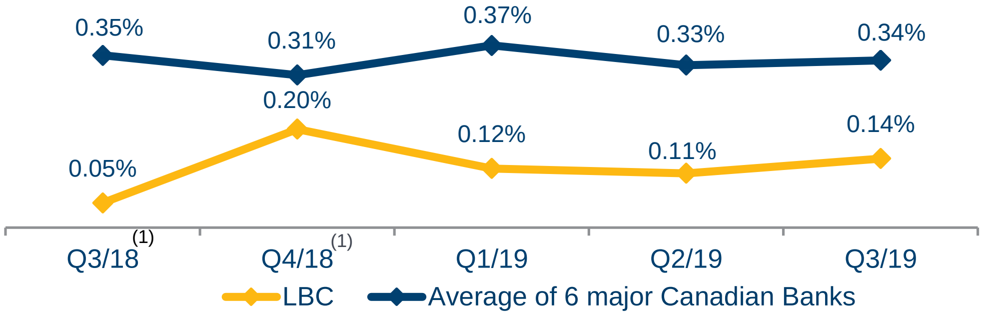


Strong Credit Quality With a Low Loss Ratio



Provision for Credit Losses (PCL)

PCL
(As a % of average loans and acceptances)



PCL ($ millions)	**Q3/19**	**Q2/19**	**Q3/18**
Personal Loans	**$ 3.6**	$ 4.3	$ 4.4
Residential Mortgage Loans	**2.1**	0.5	1.1
Commercial Loans	**6.4**	4.4	-0.6
	$ 12.1	$ 9.2	$ 4.9

Q3/19 Highlights

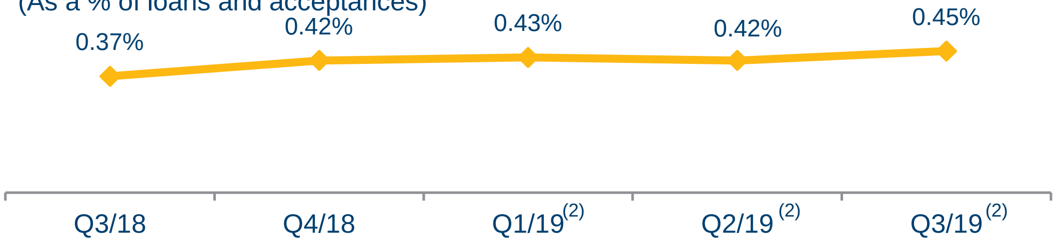
- Slightly higher level of losses but within normal range
- PCL impacted in part by changes to probability of an economic downturn
- Loss ratio of 14 bps reflects the good underlying credit quality of our portfolio
- 97% of our loan book is collateralized

(1) In Q1/18 the 6 major Canadian Banks adopted IFRS 9. LBC adopted IFRS 9 on November 1, 2018, therefore LBC's ratio is based on IAS 39 for fiscal 2018.

Impaired Loans

Net Impaired Loans (NIL)[1]

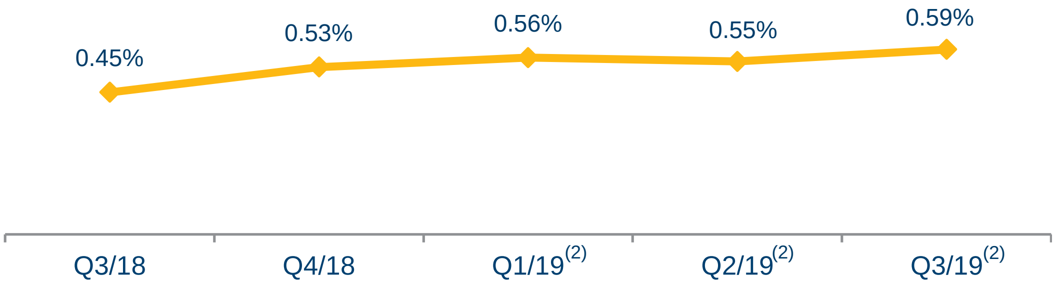
(As a % of loans and acceptances)



- Loan portfolios continue to perform well
- Net impaired loans of $151.6M

Gross Impaired Loans

(As a % of loans and acceptances)



- Gross impaired loans of $198.6M, increased by 6% Q/Q mainly in the residential mortgage loan portfolio, partly offset by decreases in the commercial loan portfolio

(1) Net impaired loans are calculated as gross impaired loans less allowances against impaired loans.

(2) As of the adoption of IFRS 9, all loans classified in Stage 3 of the ECL model are impaired loans, including $26.0M of insured residential mortgage loans as at July 31, 2019. Under IAS 39, loans were considered impaired according to different criteria.

APPENDICES

Our 2021 Medium-Term Financial Objectives

Q3/19 YTD Performance[1]

Performance

Adjusted ROE	Adjusted Efficiency Ratio	Adjusted Diluted EPS	Adjusted Operating Leverage
8.0%	**72.7%**	**$3.20**	**(8.5)%**
gap at 780 bps[2]		down 26%[4]	
Narrow gap to 250 bps by 2021[3]	< 63% by 2021	Grow by 5% to 10% annually	Positive

Growth

Loans to Business Customers
Grow by $3.1B to $16.0B by 2021

Q3/19 $12.9B
2021 $16.0B

Residential Mortgage Loans
Grow by $2.8B to $19.0B by 2021

Q3/19 $16.2B
2021 $19.0B

Deposits from Clients[5]
Grow by $5.1B to $28.0B by 2021

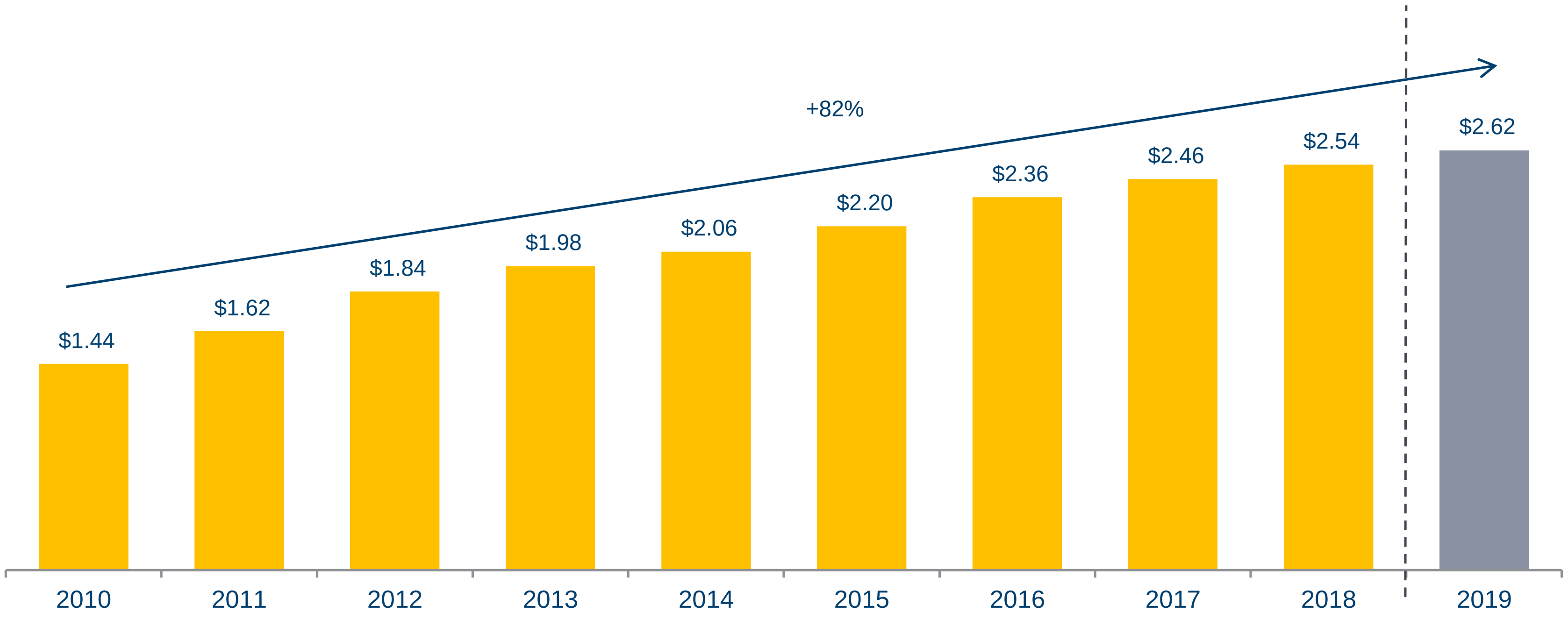
Q3/19 $22.9B
2021 $28.0B

(1) Certain measures presented throughout this document exclude the effect of amounts designated as adjusting items. Refer to the Non-GAAP Measures appendix for further details.
(2) Gap based on Q3/19 YTD results (the weighted average of the 6 major Canadian banks at 15.8%).
(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.
(4) Compared to Q3/18 YTD.
(5) Including personal deposits from branches and independent brokers and advisors, as well as commercial deposits.

Track Record of Increasing Dividends

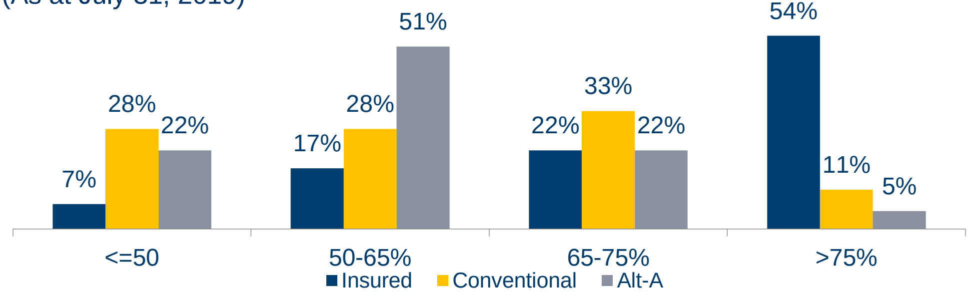
Dividends Declared Per Common Share

($/share)

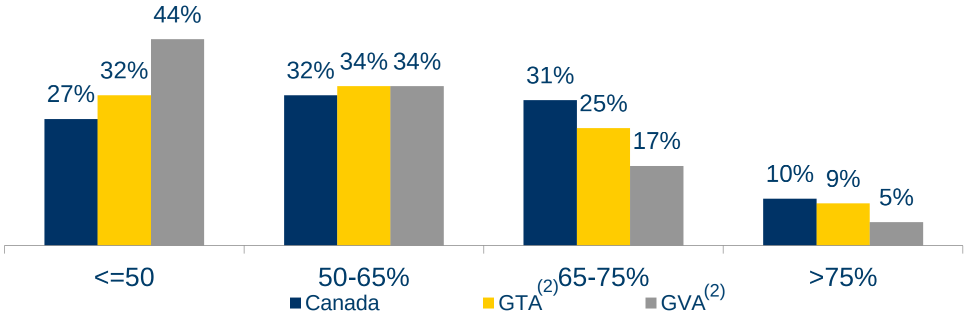


High Quality Mortgage Loan Portfolio – Low Loan-to-Value

Loan-to-Value Distribution
(As at July 31, 2019)



Loan-to-Value Distribution (Uninsured)[1]
(As at July 31, 2019)



We target the high end of the Alt-A market through low LTV ratios

- Vast majority of uninsured and Alt-A mortgages have LTVs of 75% or less
  - 89% of Conventional portfolio
  - 95% of Alt-A portfolio

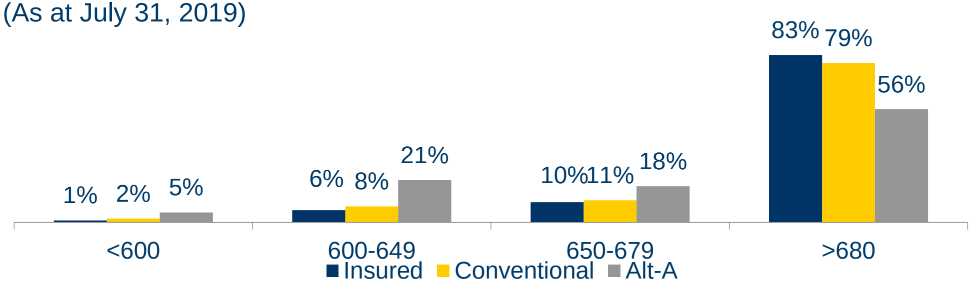
- Substantial buffer against potential home price declines with LTVs of 75% or less
  - 90% of total portfolio
  - 91% of GTA portfolio
  - 95% of GVA portfolio

(1) Uninsured equals prime uninsured plus Alt-A.
(2) GTA: Greater Toronto Area; GVA: Greater Vancouver Area.

High Quality Mortgage Loan Portfolio – Low Loan-to-Value

Beacon Distribution

(As at July 31, 2019)

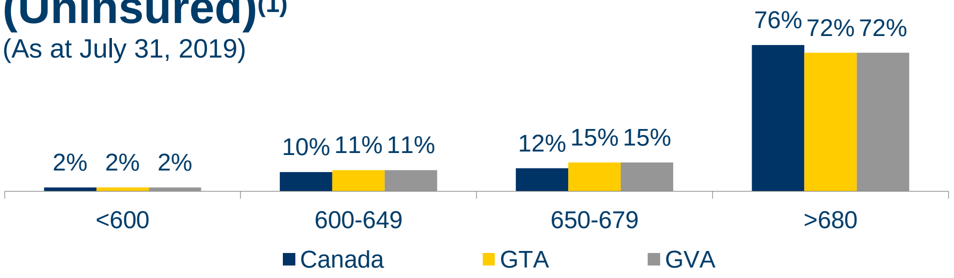


We target high end of the Alt-A market through high beacon scores

- Vast majority of Alt-A and uninsured portfolios with beacon scores > 650
  - 90% of Conventional portfolio
  - 74% of Alt-A portfolio

Geographic Beacon Distribution (Uninsured)[(1)]

(As at July 31, 2019)



- High credit worthiness of the portfolio with beacon scores > 650
  - 88% of total portfolio
  - 87% of GTA portfolio
  - 87% of GVA portfolio

(1) Uninsured equals prime uninsured plus Alt-A.

(2) GTA: Greater Toronto Area; GVA: Greater Vancouver Area.

Non-GAAP Measures

($ millions, except per share amounts)	Q3/19	Q2/19	Q3/18
Reported net income	**$ 47.8**	$ 43.3	$ 54.9
***Adjusting items, net of income taxes*[1]**			
Restructuring charges			
Severances charges[2]	**0.7**	1.8	–
Other restructuring charges	**0.6**	0.7	1.6
	1.3	2.5	1.6
Items related to business combinations			
Amortization of net premium on purchased financial instruments	**0.2**	0.3	0.4
Amortization of acquisition-related intangible assets	**2.5**	2.6	2.4
	2.8	2.9	2.8
	4.1	5.4	4.5
Adjusted net income	**$ 51.9**	$ 48.7	$ 59.4
Reported diluted earnings per share	**$1.05**	$0.95	$ 1.23
Adjusting items	**0.10**	0.13	0.11
Adjusted diluted earnings per share	**$1.15**	$1.08	$ 1.34

(1) The impact of adjusting items does not add due to rounding.
(2) For the quarter ended April 30, 2019, severance charges are presented net of a $4.8 million curtailment gain on pension plans and other post-employment benefits obligations and reversals of provisions amounting to $3.5 million.

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