



News Release

For Immediate Release

Element taps rated debt market for US\$2.25 billion ***US\$1 billion of rated ABS term notes issued through Chesapeake II LLC*** ***US\$1.25 billion added to existing asset-backed lending syndicate capacity***

TORONTO, Ontario, June 29, 2016 - Element Financial Corporation (TSX:EFN) (“Element” or the “Company”), one of North America’s leading fleet management and equipment finance companies, today announced that the Company has closed the issuance of US\$1.0 billion in rated term notes through Chesapeake Funding II LLC (“Chesapeake II”) and closed the renewal of its asset-backed funding facility with the Company’s lending syndicate which was expanded by US\$1.25 billion. Together, the two commitments amount to a US\$2.25 expansion of Element’s fleet funding capacity.

Strong demand for the notes allowed the Company to double the size of the offering with interest rate spreads that narrowed by 15 to 25 basis points from the Company’s most recent fleet ABS transaction. This brings to US\$3.5 billion the total amount of funding completed through Chesapeake II since its inception in December of last year as the new funding platform for Element’s U.S. fleet management business.

“Subsequent to these issuances, the Company has un-drawn commitments of US\$4.0 billion under our Chesapeake facilities,” said Michel Beland, Element’s Chief Financial Officer. “Our ABS investors have clearly signaled their appetite for a regular cadence of high quality fleet ABS offerings through Chesapeake that we expect to bring to market every three to four months,” added Mr. Beland.

RBC Capital Markets, BofA Merrill Lynch, BNP Paribas and J.P. Morgan acted as joint bookrunners for the term note transaction together with CIBC Capital Markets and TD Securities as Co-Managers.

The expansion and extension of the lending syndicate facility was led by Deutsche Bank and J.P. Morgan.

About Element Financial Corporation

With total assets of \$23.9 billion, Element Financial Corporation is one of North America’s leading fleet management and equipment finance companies. Element operates across North America in four verticals of the equipment finance market (Fleet Management, Rail Finance, Commercial & Vendor Finance, and Aviation Finance) and in Australia and New Zealand in the Fleet Management business.

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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 completion of additional term note issuances under the Chesapeake ABS conduit. 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 equipment finance industry, economic factors, risks related to completion of the proposed purchases of portfolios of finance assets, 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 2015 MD&A, and 2015 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.