LAURENTIAN BANK
FINANCIAL GROUP

***Source :** Banque Laurentienne du Canada*

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Laurentian Bank Financial Group reports second quarter 2018 results

The financial information reported herein is based on the condensed interim consolidated financial statement (unaudited) for the period ended April 30, 2018, prepared in accordance with IAS 34 Interim financial reporting, as issued by the International Accounting Standards Board (IASB). All amounts are denominated in Canadian dollars.
The Laurentian Bank Financial Group means the Laurentian Bank of Canada and its subsidiaries (collectively referred as “Laurentian Bank Financial Group”, “LBCFG” or the “Group” or the "Bank"), who provide deposit, investment, loan, securities, trust and other products or services.
The complete Second Quarter 2018 Report to Shareholders is available today on our website at www.lbcfg.ca and on SEDAR at www.sedar.com.

François Desjardins, President and Chief Executive Officer, commented on the Bank's results and financial condition:
“During this quarter, we posted good results while we continued to make significant progress in establishing a strong foundation, which will lay the groundwork for a fully digital offering to serve the changing needs of our customers.”

Mr. Desjardins added: “We have made important headway in addressing the mortgage loan review, which has no impact on our clients, and are confident that it will be completely resolved by the end of the fiscal year. Throughout its 172-year history, the Bank has always been prudent and conservative in managing its affairs. Our track record of credit, in particular, has always been excellent. With a high level of liquidity and capital, we are well positioned to transform the Bank for the long-term, to build the Bank of tomorrow.”

Highlights of second quarter 2018

- Adjusted net income (1) up 25% year-over-year, and reported net income up 33%
- Adjusted return on common shareholders' equity (1) of 11.6% and 10.5% on a reported basis
- Adjusted efficiency ratio of 65.1% and reported efficiency ratio of 67.6%
- Common Equity Tier 1 (CET1) ratio at 8.6%
- Sale of the agricultural commercial loan portfolio resulting in a net gain of $5.3 million ($4.6 million after income taxes) or $0.11 per share
- Loans to business customers up 19% year-over-year, from both organic growth and the acquisition of NCF (2)
- Residential mortgage loans through independent brokers and advisors up 11% year-over-year
- Quarterly common share dividend raised by $0.01 to $0.64 per share
- Significant progress on the mortgage loan portfolio review

In millions of Canadian dollars, except per share and percentage amounts (Unaudited)	For the three months ended			For the six months ended		
	April 30 2018	April 30 2017	Variance	**April 30 2018**	April 30 2017	Variance
Reported basis						
Net income	**$ 59.2**	$ 44.6	33%	**$ 118.9**	$ 93.0	28%
Diluted earnings per share	**$ 1.34**	$ 1.19	13%	**$ 2.74**	$ 2.49	10%
Return on common shareholders' equity	**10.5 %**	9.9 %		**10.7 %**	10.3 %	
Efficiency ratio	**67.6 %**	70.7 %		**67.0 %**	70.1 %	
Common Equity Tier 1 capital ratio – All-in basis	**8.6 %**	8.1 %				
Adjusted basis (1)						
Adjusted net income	**$ 64.6**	$ 51.6	25%	**$ 127.8**	$ 104.4	23%
Adjusted diluted earnings per share	**$ 1.47**	$ 1.39	6%	**$ 2.96**	$ 2.82	5%
Adjusted return on common shareholders' equity	**11.6 %**	11.7 %		**11.5 %**	11.7 %	
Adjusted efficiency ratio	**65.1 %**	67.2 %		**64.9 %**	67.3 %	

(1) Certain measures presented throughout this document exclude the effect of certain amounts designated as adjusting items due to their nature or significance. Refer to the Non-GAAP measures section for further details.

(2) Northpoint Commercial Finance

MONTREAL, June 01, 2018 (GLOBE NEWSWIRE) -- Laurentian Bank Financial Group reported net income of $59.2 million or $1.34 diluted per share for the second quarter of 2018, compared with net income of $44.6 million or $1.19 diluted per share for the same period last year. Return on common shareholders' equity was 10.5% for the second quarter of 2018, compared with 9.9% for the second quarter of 2017. On an adjusted basis, net income totalled $64.6 million or $1.47 diluted per share for the second quarter of 2018, up 25% and 6% respectively, compared with $51.6 million or $1.39 diluted per share for the same period in 2017. Adjusted return on common shareholders' equity was 11.6% for the second quarter of 2018, compared with 11.7% a year ago. Reported results included adjusting items, such as costs related to the reorganization of the branch network, as well as acquisition and integration costs related to CIT Canada and NCF, as detailed in the Non-GAAP measures section.

For the six months ended April 30, 2018, net income was $118.9 million or $2.74 diluted per share, compared with $93.0 million or $2.49 diluted per share for the six months ended April 30, 2017. Return on common shareholders' equity was 10.7% for the six months ended April 30, 2018, compared with 10.3% for the six months ended April 30, 2017. On an adjusted basis, net income totalled $127.8 million or $2.96 diluted per share for the six months ended April 30, 2018, up 23% and 5% respectively, compared with $104.4 million or $2.82 diluted per share for the six months ended April 30, 2017. Adjusted return on common shareholders' equity was 11.5% for the six months ended April 30, 2018, compared with 11.7% for the same period a year ago. Reported results for the six months ended April 30, 2018 and for the six months ended April 30, 2017 included adjusting items, as detailed in the Non-GAAP measures section.

Consolidated Results
Non-GAAP measures

Management uses both generally accepted accounting principles (GAAP) and certain non-GAAP measures to assess performance. Non-GAAP measures presented throughout this document exclude the effect of certain amounts designated as adjusting items due to their nature or significance. These non-GAAP measures are considered useful to readers in obtaining a better understanding of how management analyzes 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.

The following table presents the impact of adjusting items on reported results.

IMPACT OF ADJUSTING ITEMS

In thousands of Canadian dollars, except per share amounts (Unaudited)	For the three months ended			For the six months ended	
	April 30 2018	January 31 2018	April 30 2017	**April 30 2018**	April 30 2017
Impact on net income					
Reported net income	**$ 59,195**	$ 59,747	$ 44,572	**$ 118,942**	$ 93,028
Adjusting items, net of income taxes					
Restructuring charges [(1)]					
Other restructuring charges	**1,283**	673	1,248	**1,956**	1,940
	1,283	673	1,248	**1,956**	1,940
Items related to business combinations					
Amortization of net premium on purchased financial instruments [(2)]	**442**	480	647	**922**	1,405
Amortization of acquisition-related intangible assets [(3)]	**2,418**	1,878	186	**4,296**	364
Other costs related to business combinations [(4)]	**1,287**	439	4,965	**1,726**	7,622
	4,147	2,797	5,798	**6,944**	9,391
	5,430	3,470	7,046	**8,900**	11,331
Adjusted net income	**$ 64,625**	$ 63,217	$ 51,618	**$ 127,842**	$ 104,359
Impact on diluted earnings per share					
Reported diluted earnings per share	**$ 1.34**	$ 1.41	$ 1.19	**$ 2.74**	$ 2.49
Adjusting items					
Restructuring charges	**0.03**	0.02	0.04	**0.05**	0.06
Items related to business combinations	**0.10**	0.07	0.17	**0.17**	0.27
	0.13	0.09	0.21	**0.22**	0.33
Adjusted diluted earnings per share [(5)]	**$ 1.47**	$ 1.49	$ 1.39	**$ 2.96**	$ 2.82

(1) Restructuring charges result from the optimization of our Retail Services activities and mostly relate to salaries, communication expenses and professional fees. They have been designated as adjusting items due to their nature and the significance of the amounts.

(2) The amortization of net premium on purchased financial instruments arose as a result of a one-time gain on acquisition and is considered an adjusting item since it represents, according to management, a significant non-cash and non-recurring adjustment.

(3) The amortization of intangible assets related to the acquisitions of CIT Canada and NCF is considered as an adjusting item since it represents, according to management, a significant non-cash and non-recurring adjustment. The amortization of acquisition-related intangible assets is included in the line item Other non-interest expenses in the Consolidated Statement of Income.

(4) Costs related to the integration of CIT Canada and transaction costs related to the acquisition of NCF.

(5) The impact of adjusting items on a per share basis does not add due to rounding for the three months ended January 31, 2018 and for the three months ended April 30, 2017.

Three months ended April 30, 2018 financial performance

Net income was $59.2 million or $1.34 diluted per share for the second quarter of 2018, compared with $44.6 million or $1.19 diluted per share for the second quarter of 2017. Adjusted net income was $64.6 million for the second quarter of 2018, up 25% from $51.6 million for the second quarter of 2017, while adjusted diluted earnings per share were $1.47, up 6% compared with $1.39 in the second quarter of 2017. Growth in earnings per share, compared with the second quarter of 2017, reflects the common share issuances carried at the end of fiscal 2017 and at the beginning of the year.

Total revenue

Total revenue increased by $21.1 million or 9% to $259.9 million for the second quarter of 2018 from $238.8 million for the second quarter of 2017. This increase was mainly driven by growth in net interest income stemming from strong volume growth in the commercial loan portfolio.

Net interest income increased by $26.6 million or 18% to $177.1 million for the second quarter of 2018, from $150.5 million for the second quarter of 2017. The increase was mainly due to strong volume growth in the commercial loan portfolio, both organic and from acquisitions, as well as the higher margins earned on these loans. Net interest margin stood at 1.82% for the second quarter of 2018, an increase of 15 basis points compared with the second quarter of 2017, essentially due to the higher proportion of higher-yielding loans to business customers, as well as to recent increases in the prime rate, partly offset by the higher level of liquid assets.

Other income decreased by $5.6 million to $82.8 million for the second quarter of 2018, compared with $88.3 million for the second quarter of 2017. Income from brokerage operations decreased by $4.0 million, mostly as a result of a lower activity level due to market conditions. Income from treasury and financial market operations also decreased by $3.3 million mainly as a result of lower net securities gains compared to the second quarter of 2017. Fees and commissions on loans and deposits decreased by $1.7 million compared with the second quarter of 2017, mainly driven by lower transaction fees and service charges as clients continue to modify their banking behavior and as a result of product simplification. These decreases were partly offset by the sale of the $380.0 million agricultural commercial loan portfolio during the second quarter of 2018, which led to the recognition of a net $5.3 million gain in other income.

Amortization of net premium on purchased financial instruments

For the second quarter of 2018, the amortization of net premium on purchased financial instruments amounted to $0.6 million, compared with $0.9 million for the second quarter of 2017. Refer to the Non-GAAP measures section for additional information.

Provision for credit losses

The provision for credit losses amounted to $9.5 million for the second quarter of 2018 compared with $10.1 million for the second quarter of 2017. Provision for the second quarter of 2018 included reductions in allowances of $2.8 million resulting from updates to risk model parameters, as well as the sale of the agricultural commercial loan portfolio. The continued low level of credit losses reflects the overall underlying good credit quality of the loan portfolios.

Non-interest expenses

Non-interest expenses amounted to $175.6 million for the second quarter of 2018, an increase of $6.6 million compared with the second quarter of 2017. Adjusted non-interest expenses increased by 5% to $169.1 million for the second quarter of 2018, compared with $160.6 million for the second quarter of 2017, mainly due to the acquisition of NCF, regular salary increases and higher technology costs.

Salaries and employee benefits increased by $3.5 million or 4% to $91.6 million for the second quarter of 2018, compared with the second quarter of 2017, due to regular annual salary increases and the addition of employees from NCF.

Premises and technology costs increased by $2.3 million to $48.0 million for the second quarter of 2018 compared with the second quarter of 2017, mainly as a result of higher technology costs related to ongoing activities to enhance IT service levels and security.

Other non-interest expenses amounted to $32.5 million for the second quarter of 2018, an increase of $5.4 million compared with the second quarter of 2017. This increase was mainly due to the amortization of acquisition-related intangibles, as well as higher professional fees to support our transformation.

Restructuring charges amounted to $1.8 million for the second quarter of 2018 and mainly included severance charges and communication costs in light of the reorganization of the branch operations.

Costs related to business combinations amounted to $1.8 million for the second quarter of 2018 and mainly included technology costs for the integration of CIT Canada's operations. On March 1, 2018, LBC Capital deployed its new financing and leasing system, which provides improved scalability and greater flexibility to address customers' needs. This key milestone substantially completes the integration of CIT Canada.

The adjusted efficiency ratio was 65.1% for the second quarter of 2018, showing good improvement compared with 67.2% for the second quarter of 2017. The adjusted operating leverage was positive year-over-year, driven by both revenue growth and expense control. Sequentially, the adjusted efficiency ratio slightly increased from 64.8% for the first quarter of 2018. As we continue to progress in our transformation plan, we expect that this ratio will continue to trend higher over the next few quarters. Nonetheless, we maintain our objective to achieve a sustainable adjusted efficiency ratio below 65% by 2020.

Income taxes

For the quarter ended April 30, 2018, the income tax expense was $15.0 million and the effective tax rate was 20.3%. The lower tax rate, compared to the statutory rate, mainly resulted from the favourable effect of holding investments in Canadian securities that generate non-taxable dividend income, as well as from the lower taxation level on revenues from foreign operations. For the quarter ended April 30, 2017, the income tax expense was $14.3 million and the effective tax rate was 24.3%. The lower tax rate, compared to the statutory rate, resulted mainly from the Canadian securities holdings and the revenues from foreign operations, as mentioned above.

On February 28, 2018, a new Canadian federal budget was tabled in the House of Commons. Based on our preliminary analysis and taking into account that the draft legislation is not yet available, we expect that, as of fiscal 2019, the new measures will impact future income earned on foreign insurance operations. As a result, the Bank's income tax charge could increase by approximately $4.0 million annually.

Financial Condition

As at April 30, 2018, total assets amounted to $47.6 billion, an increase of $0.9 billion compared with $46.7 billion as at October 31, 2017. This mainly reflects an increase in liquid assets of $1.1 billion as well as an increase in other assets of $110.6 million, partly offset by a decrease in loans of $354.4 million, as explained below.

Liquid assets

Liquid assets consist of cash, deposits with other banks, securities and securities purchased under reverse repurchase agreements. As at April 30, 2018, these assets totalled $10.1 billion, an increase of $1.1 billion compared with October 31, 2017. Overall, we continue to prudently manage the level of liquid assets and hold sufficient cash resources from diversified sources in order to meet current and future financial obligations, under both normal and stressed conditions.

Loans

Loans and bankers' acceptances, net of allowances, stood at $36.2 billion as at April 30, 2018, a decrease of $354.4 million from October 31, 2017.

Personal loans amounted to $5.7 billion and decreased by $290.3 million since October 31, 2017, mainly due to net repayments in the investment loan portfolio, reflecting consumer behaviour to accelerate repayment following strong capital market performance.

Residential mortgage loans stood at $18.2 billion as at April 30, 2018, a decrease of $257.4 million since October 31, 2017. This mostly reflects a gradual decrease in origination as we focus on higher yielding commercial loans in order to optimize product mix, as well as the decision of Retail Services to solely originate residential mortgages through the branch network and no longer through the mortgage broker channel in Quebec as of November 1, 2017. Furthermore, as expected, since January 1, 2018 growth was slowed by the newly applicable OSFI's B-20 mortgage underwriting regulation. The decrease was partly offset by the acquisition of mortgage loans originated by third-parties as part of our program initiated in 2016 to optimize the usage of National Housing Act mortgage-backed securities (NHA MBS) allocations.

Commercial loans amounted to $12.4 billion as at April 30, 2018, up 2% since October 31, 2017. This increase is mainly due to strong growth in inventory financing loans stemming from our recently acquired NCF business, as well as from real estate financing, partly offset by the $380.0 million agricultural commercial loan portfolio sale during the second quarter of 2018.

Other assets

Other assets increased by $110.6 million as at April 30, 2018, compared with October 31, 2017, primarily reflecting the increase in cash reserve deposits related to securitization activities, as well as additions to internally developed intangibles as we continue to progress on the development of our new core banking system and project to adopt the AIRB Approach to credit risk.

Liabilities

Deposits increased by $0.5 billion to $29.5 billion as at April 30, 2018, compared with October 31, 2017. Personal deposits stood at $22.1 billion as at April 30, 2018, up $0.9 billion compared with October 31, 2017. The increase was mainly driven by higher term deposits sourced through independent brokers and advisors, partly offset by lower demand deposits sourced through independent brokers and advisors. Since the beginning of the year, retail deposits sourced through the branch network have slightly decreased by 1%, while they were marginally up over the last three months. Business and other deposits decreased by $330.2 million to $7.4 billion over the same period. Personal deposits represented 75% of total deposits as at April 30, 2018, compared with 73% as at October 31, 2017, and contribute to our good liquidity position.

Debt related to securitization activities was up $220.0 million compared with October 31, 2017 and stood at $8.5 billion as at April 30, 2018. The repurchase of certain mortgage loans as detailed in the Review of Mortgage Portfolio section below and normal repayments were more than offset by newly securitized loans as the Bank continues to favor this source of term funding.

Shareholders' equity and regulatory capital

Shareholders' equity stood at $2,443.6 million as at April 30, 2018, compared with $2,330.4 million as at October 31, 2017. The increase results in part from the 2,624,300 common share public offering completed in January 2018 for gross proceeds of $143.8 million and net proceeds of $139.2 million, which was partially offset by the $100.0 million Class A Preferred Shares Series 11 redemption in December 2017. Shareholders' equity also increased as a result of the net income contribution, net of declared dividends, as well as by the issuance of common shares under the Shareholder Dividend Reinvestment and Share Purchase Plan.

Our book value per common share appreciated to $52.67 as at April 30, 2018 from $51.18 as at October 31, 2017. There were 41,842,193 common shares outstanding as at May 23, 2018.

The CET1 ratio stood at 8.6% as at April 30, 2018, compared with 8.6% as at January 31, 2018 and 8.1% as at April 30, 2017. The common share offering completed in January 2018 for net proceeds of $139.2 million contributed to the improvement in capital ratios since the beginning of the year. As the Bank moves through an evolving economic environment, we made the prudent decision to replace the preferred share issue that was redeemed on December 15, 2017 with common equity. This further strengthens our capital base and provides greater flexibility to pursue organic growth, as well as to continue to invest in the implementation of our core banking system and the Advanced Internal Ratings-Based Approach to credit risk. Lower growth in risk-weighted exposures and net growth in retained earnings also contributed to the improvement in capital ratios, although offset by the additional deductions to capital for intangible assets related to ongoing projects.

Review of Mortgage Loan Portfolio

On May 29, 2018 we provided an update on the mortgage loans sold to (i) a third-party purchaser (the "TPP") and (ii) the Canadian Mortgage and Housing Corporation ("CMHC", previously referred to as the "Other Third-Party Purchaser"). Interested investors, the media and others may review our May 29, 2018 press release on our website at www.lbcfg.ca, under the Press Room tab, and our Second Quarter 2018 Report to Shareholders, under the Investor Centre tab, Financial Results.

Transformation Plan

Strengthening our Foundation

2018 is a year of investment in our people, processes and technologies. At the beginning of the year, we initiated the implementation of our new core-banking system. During the remainder of the year, we will continue the migration of B2B Bank products onto the new platform, and begin the migration of Business Services loans. This new platform will provide the necessary tool to improve our product offering and advance our transformation to digital banking. During the transition period we will be running concurrent platforms for our core-banking systems and making significant investments in developing digital banking solutions.

We are also progressing on our project to adopt in late 2020, pending regulatory approval, the Advanced Internal Rating-Based Approach to credit risk used to determine the Bank's regulatory capital ratios. In addition, we continue to improve compliance and regulatory frameworks to better manage risks.

Furthermore, we are strengthening the Bank's financial foundation. We increased our CET1 ratio during the first quarter of 2018 and continue to maintain a strong liquidity position to provide operational flexibility to execute our transformation plan.

Optimization of Retail Services Activities

At the beginning of 2016, we announced our seven-year transformation plan, which included optimizing and simplifying retail operations. This strategy led to the decision, in September 2016, to reorganize the branch network. By the end of 2017, we had merged 46 branches and have converted an additional 23 branches into advice-only branches. During the last quarter, we merged another branch, and by the end of fiscal 2018 we will merge 7 more branches. As we continue to simplify our retail operations, we are progressing toward our goal of becoming a renewed financial institution by 2022.

Risk Management

Liquidity and Funding Risk

Credit ratings

On April 27, 2018, Standard and Poor's (S&P) removed the ratings from CreditWatch[1] with negative implications, where they had been placed on December 20, 2017 and affirmed our BBB long-term and A-2 short-term issuer credit ratings, while maintaining the negative outlook.

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[1] CreditWatch highlights S&P's opinion regarding the potential direction of a short-term or long-term rating, and focuses on identifiable events and short-term trends that cause ratings to be placed under special surveillance.

Risk Related to Labour Relations

Approximately 40% of our employees are represented by an union and are covered by a collective bargaining agreement which expired on December 31, 2017. The majority of these employees work in Laurentian Bank branches in the Province of Quebec, and certain of them are employed in Corporate Offices in Montreal. Renegotiating the expired collective bargaining agreement could result in higher costs which could have a material effect on our business, results of operations and financial condition. In addition, should we be unable to reach an acceptable negotiated collective bargaining agreement on a timely basis, a strike by affected employees, lock-out or other work disruption may occur which could adversely affect services to our Retail Services clients and operations and, in turn, financial performance.

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 our estimate of the total amount of CMHC portfolio insured mortgage loans to be repurchased and statements regarding our business plan and financial objectives including statements contained in our 2017 Annual Report under the headings "Outlook" and "Off-Balance Sheet Arrangements - Securitization Activities". 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 assumption that the in-depth review of CMHC portfolio insured mortgage loans will reveal a level of inadvertently portfolio insured and sold mortgage loans in line with those discovered through the normal course audit and our estimates and statements regarding our business plan and financial objectives including statements contained in our 2017 Annual Report under the headings "Outlook" and "Off-Balance Sheet Arrangements - Securitization Activities".

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, assumptions pertaining to the conduit requirements, 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 transformation plan and in particular the successful reorganization of retail branches, the modernization of the core banking system and the adoption of the Advanced Internal Ratings-Based Approach to credit risk (the AIRB Approach).

With respect to the anticipated benefits from the acquisition of Northpoint Commercial Finance ("NCF") and statements with regards to this transaction being accretive to earnings, such factors also include, but are not limited to: the ability to promptly and effectively integrate the businesses, reputational risks and the reaction of our and NCF's customers to the transaction; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the acquisition of NCF; our limited experience in the U.S. market and in inventory financing; and diversion of management time on acquisition-related issues.

With respect to the anticipated benefits from the acquisition of CIT Canada and statements with regards to this transaction being accretive to earnings, such factors also include, but are not limited to: the ability to realize synergies in the anticipated time frame, the ability to promptly and effectively integrate the businesses, and diversion of management time on integration-related issues.

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” on page 44 of our Management's Discussion and Analysis as contained in our 2017 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 securities regulations.

Access to Quarterly Results Materials

Interested investors, the media and others may review this press release, on our website at www.lbcfg.ca, under the Press Room tab, and our report to shareholders, presentation to investors and supplementary financial information under the Investor Centre tab, Financial Results.

Conference Call

Laurentian Bank Financial Group invites media representatives and the public to listen to the conference call to be held at 11:00 a.m. Eastern Time on June 1, 2018. The live, listen-only, toll-free, call-in number is 1-866-548-4713, code 2539506. A live webcast will also be available on the Group's website under the Investor Centre tab, Financial Results.

The conference call playback will be available on a delayed basis at any time from 2:00 p.m. on June 1, 2018 until 2:00 p.m. on July 1, 2018, 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.

Contact Information

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About Laurentian Bank Financial Group

Founded in 1846, Laurentian Bank Financial Group is a diversified financial services provider whose mission is to help its customers improve their financial health. The Laurentian Bank of Canada and its entities are collectively referred as Laurentian Bank Financial Group (the “Group” or the "Bank").

With more than 3,800 employees guided by the values of proximity, simplicity and honesty, we provide a broad range of advice-based solutions and services to our retail, commercial and institutional customers. With pan-Canadian activities and a presence in the U.S., we are an important player in numerous market segments.

The Group has $48 billion in balance sheet assets and $31 billion in assets under administration.