INVESTOR PRESENTATION

First Quarter 2018

Conference call

February 28, 2018 at 10:00 am

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 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 ability to execute our transformation plan and strategy; the expectation of regulatory stability; the continued favourable economic conditions; our ability to maintain sufficient liquidity and capital resources; the absence of material unfavorable changes in competition, market conditions or in government monetary, fiscal and economic policies; the maintenance of credit ratings and our assumption that the in-depth review of the branch-underwritten mortgages described under the heading "Off-Balance Sheet Arrangements - Securitization Activities - Review of Mortgage Portfolios" of our 2017 Annual Report and in this document, will reveal a level of ineligible loans with documentation issues in line with the level discovered through the limited sample audit. See also "How the Bank Will Measure its Performance - Key assumptions supporting the Bank's medium-term objectives" in our 2017 Annual Report.

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, levels of branch-underwritten ineligible loans with documentation issues being in excess of levels identified during sample file audits or other related 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.

NON-GAAP MEASURES

Management uses both generally accepted accounting principles (GAAP) and certain non-GAAP measures to assess the Bank's performance. The Bank's 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 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

Good Q1 2018 Performance

- Adjusted net income: $63.2M, up 20% Y/Y
- Adjusted ROE: 11.5%
- Adjusted efficiency ratio: 64.8%, improved 260 bps Y/Y
- CET1 ratio: 8.6%

Investing in profitable growth

Q1 2018 / Q1 2017

- Strategic loan growth
  - Loans to business customers: up 22%
  - Residential mortgages through independent brokers and advisors: up 19%
- Deposits: up 10%

Q1 2018 / Q4 2017

- On track to achieve 2018 mid-single digit growth
  - Loans to business customers: up 1%
  - Residential mortgages through independent brokers and advisors: up 1%
- Deposits: up 2%

Mortgage Review – Update

Third Party Purchaser (TPP)

B2B Bank underwritten mortgages

- LB repurchased $90M of mortgages ($89M with documentation issues and $1M that were inadvertently sold) in Q1 2018
- TPP completed a confirmatory audit and no further repurchases are required
- $17M of the $40M indemnity cash reserve will be released to LB. Remainder will be kept as additional credit enhancement and remitted to LB over time as mortgages amortize

➢ **Situation is resolved**

Branch network underwritten mortgages

- LB repurchased $90M of inadvertently sold mortgages in Q1 2018, consequently this situation has been resolved
- LB is conducting a review of 1,900 of 9,500 mortgages - expected to be completed towards the end of Q2 2018 at which time the TPP will perform a confirmatory audit
- LB conducted a limited sample review and through extrapolation estimated ~ $124M of ineligible loans with documentation issues that may need to be repurchased
- LB provided a $61M cash reserve deposit, the release of which is subject to the repurchase of ineligible loans and confirmatory audits

➢ **Situation is progressing well**

CMHC (Previously referred to as the "Other Third Party Purchaser")

- LB repurchased $88M of inadvertently insured and sold mortgages in Q2 2018
- After discussions with CMHC, LB not required to perform a full review of the mortgages sold to the CMHC securitization programs nor make material repurchases
- We continue to work with CMHC on reviewing and ensuring solid controls are in place, in addition to our continued engagement in the normal course audits by CMHC from time to time

➢ **Securitization program remains available to LB and LB continues to securitize mortgage loans**

We are confident that the enhanced quality control and underwriting procedures implemented since November 1, 2017, will prove to be satisfactory

Mortgage Review – Update

Summary of identified mortgages and repurchases

($ millions)	Third Party Purchaser		CMHC	Total	Status
	B2B Bank	Branch network			
Total mortgage loans sold [1]	$ 655	$ 1,157	$ 5,157	**$ 6,969**	
Ineligible mortgage loans identified [2]	$ 89	$ -	$ -	**$ 89**	✓
Mortgage loans inadvertently sold [2]	1	90	-	**91**	✓
Mortgage loans inadvertently insured and sold [3]	-	-	88	**88**	✓
Total ineligible mortgage loans identified and repurchased	$ 90	$ 90	$ 88	**$ 268**	✓
Ineligible mortgage loans extrapolated [4]	-	124	-	**124**	progressing well
Total ineligible mortgage loans identified and extrapolated	$ 90	$ 214	$ 88	**$ 392**	

(1) Based on information as at September 30, 2017 and as reported in our 2017 Annual Report dated December 4, 2017, excluding the impact of repurchases to both third parties, and new securitizations to CMHC. As at January 31, 2018, mortgage loans sold to the TPP by B2B Bank and the branch network totaled $535 million and $994 million respectively, the variations from what was previously disclosed are due net repayments and the aforementioned repurchases. As at January 31, 2018 mortgage loans sold to CMHC totaled $5,118 million the variation from what was previously disclosed is due to new securitizations and net repayments.

(2) Repurchased in the first quarter of 2018.

(3) Repurchased in the second quarter of 2018.

(4) The $124 million in branch-originated ineligible mortgages sold to the TPP is an estimate based on extrapolating the results of a limited sample review.

Investing to Strengthen our Strategic Foundation

Foundation

Investments	Progress
• **Core banking system**	• Installed the backbone of the new Temenos T-24 core banking system and successfully migrated B2B Bank investment loans in Q1/18 • Continue migration of B2B Bank and Business Services products in 2018-2019 • New leasing platform to be deployed in Q2/18
• **Digital Banking Products**	• Launch transactional, deposit and lending products in 2018-2019
• **AIRB**	• Working towards adoption in 2020 [1]
• **THE EXCHANGE Network**	• Joined the EXCHANGE network, providing our clients with access to 3,600 full-service ATMs across Canada
• **Risk and Compliance**	• Enhancing regulatory and compliance framework

2018: A year of investment in our processes, technology and people.
We expect these investments to impact our efficiency ratio over the next few quarters.

(1) Pending regulatory approval

Our Focus – Executing the Transformation Plan To Achieve our Strategic Objectives

Foundation

Growth

Performance

Building a strong foundation

Investing in profitable growth

Improving performance

FRANÇOIS LAURIN

Executive Vice-President and Chief Financial Officer

LAURENTIAN BANK
FINANCIAL GROUP

FINANCIAL RESULTS

Q1 2018 Financial Performance

Adjusted [1]	Q1/18	Q/Q	Y/Y
Net Income ($M)	$ 63.2	- 5 %	20 %
Diluted EPS	$ 1.49	- 9 %	4 %
ROE	11.5 %	- 120 bps	- 30 bps
Efficiency Ratio	64.8 %	50 bps	- 260 bps

- Good results for the quarter
- EPS and ROE growth were impacted by common share issuances

Reported	Q1/18	Q/Q	Y/Y
Net Income ($M)	$ 59.7	2 %	23 %
Diluted EPS	$ 1.41	- 1 %	8 %
ROE	10.8 %	- 30 bps	10 bps
Efficiency Ratio	66.5 %	- 230 bps	- 290 bps

- 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 the effect of certain amounts designated as adjusting items due to their nature or significance. Refer to the Non-GAAP Measures appendix for further details.

Adjusting Items in Q1 2018

($ millions, except per share amounts)	Q1/18			Q4/17		
	Before taxes	**After taxes**	**EPS**	**Before taxes**	**After taxes**	**EPS**
Adjusting Items						
Severances	$ -	$ -	$ -	$ 3.2	$ 2.4	$ 0.06
Other restructuring charges	0.9	0.7	0.02	2.4	1.8	0.05
Total restructuring charges	*$ 0.9*	*$ 0.7*	*$ 0.02*	*$ 5.7*	*$ 4.2*	*$ 0.11*
Items related to business combinations						
Amortization of net premium on purchased financial instruments	0.7	0.5	0.01	0.7	0.5	0.01
Amortization of acquisition-related intangible assets	3.0	1.9	0.05	3.5	2.2	0.06
Other cost related to business combinations	0.6	0.4	0.01	2.9	0.9	0.02
Total items related to business combinations	*$4.2*	*$ 2.8*	*$ 0.07*	*$ 7.1*	*$ 3.7*	*$ 0.09*
Total adjusting items (1)	$ 5.2	$ 3.5	$ 0.09	$ 12.8	$ 7.8	$ 0.21

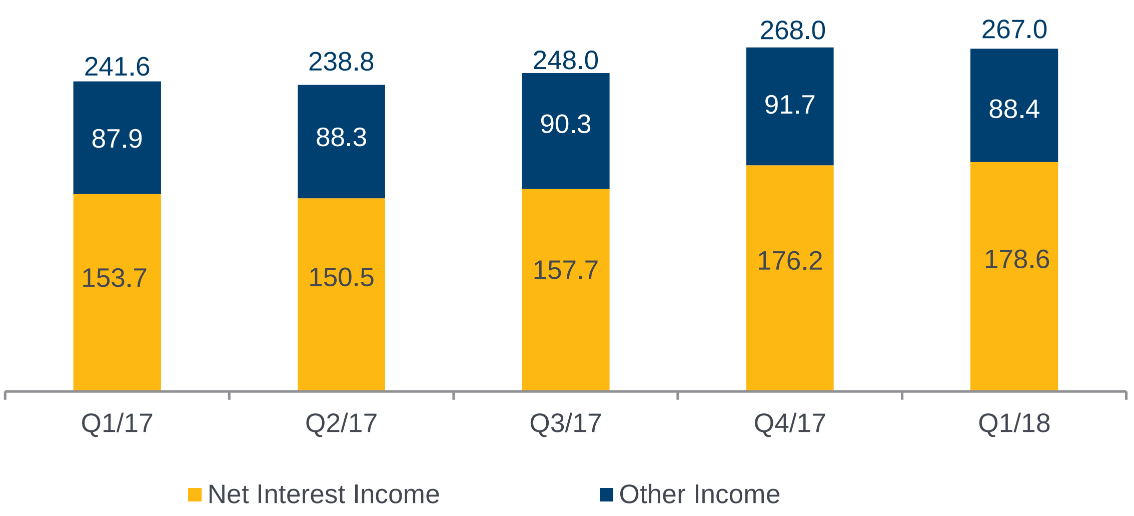
(1) The impact of adjusting items does not add due to rounding.

Total Revenue

($ millions)	Q1/18	Q/Q	Y/Y
Net Interest Income	$ 178.6	1 %	16 %
Other Income	88.4	- 4 %	0 %
Total Revenue	$ 267.0	0 %	10 %

Total Revenue

($ millions)

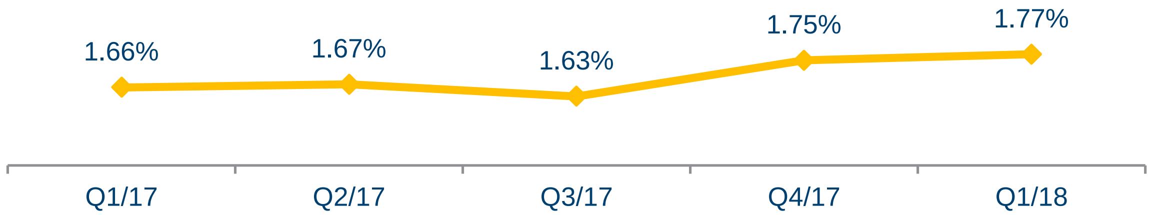


Total Revenue: up $25.4M Y/Y and relatively stable Q/Q

- Net interest income: up $2.4M Q/Q mainly due to volume growth in the commercial loan portfolio, and the recent increases in interest rates
- Net interest income: up $24.9M Y/Y, due to strong volume growth in the commercial loan portfolios, both organic and from acquisitions, as well as from the higher margins earned on these loans
- Other income: down $3.4M Q/Q mainly due to the gain on sale of our participation in Verico Financial Group (Verico) recorded in Q4/17

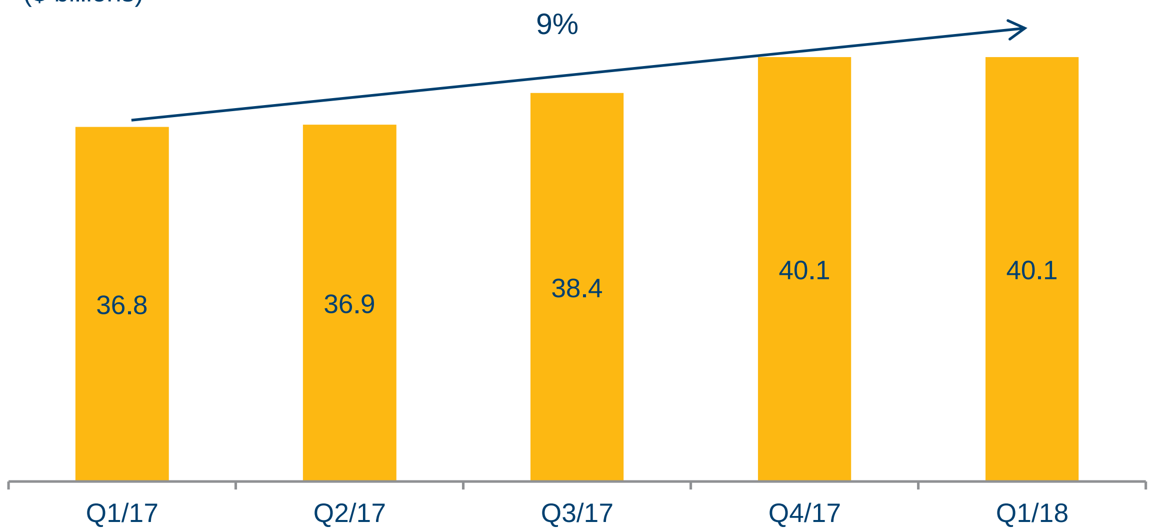
Net Interest Margin (NIM)

Net Interest Margin
(on average earning assets)



- NIM Q1/18 vs Q4/17
  - 2 bps increase mainly driven by NCF volume growth and recent increases in interest rates, partly offset by higher liquidity
- NIM Q1/18 vs Q1/17
  - 11 bps increase driven by the higher NCF proportion of higher-yielding loans to business customers

Average Earning Assets
($ billions)



- Average earning assets increased 9% Y/Y:
  - Organic growth in residential mortgage loans through independent brokers and advisors up 19% Y/Y
  - Loans to business customers up 22% Y/Y including acquisition of Northpoint in Q4/17

Other Income

Other Income ($ millions)	Q1/18	Q/Q	Y/Y
Deposit Service Charges	$ 13.0	- 5 %	- 9 %
Lending Fees	16.1	- 9 %	7 %
Card Service Revenues	9.0	7 %	11 %
Fees and Commissions on Loans and Deposits	$ 38.1	- 4 %	2 %
Income from Brokerage Operations	18.6	- 1 %	- 6 %
Income from Sales of Mutual Funds	12.2	0 %	12 %
Income from Investment Accounts	5.7	17 %	1 %
Income from Treasury and Financial Market Operations	5.6	116 %	10 %
Other (1)	8.1	- 40 %	- 12 %
	$ 88.4	- 4 %	0 %

Other income: stable Y/Y, down $3.4M Q/Q

Y/Y Highlights

- Income from sale of mutual funds up $1.3M Y/Y largely driven by good market performance

Q/Q Highlights

- Income from treasury and financial market operations up $3.0M Q/Q due to higher net securities gains, as well as a higher contribution from trading activities
- Other down $5.5M Q/Q, Q4/17 included the $5.9M contribution from the gain on the sale of the Bank's participation in Verico

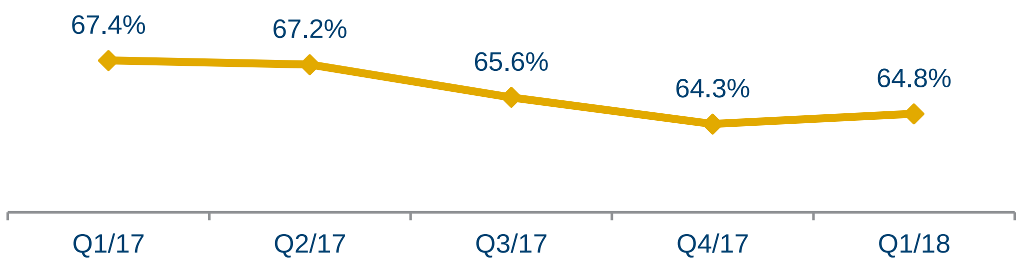
(1) Includes net Insurance Income, Leasing Revenues and Other.

Non-Interest Expenses (NIE)

Adjusted NIE ($ millions)	Q1/18	Q/Q	Y/Y
Salaries and Employee Benefits	$ 93.7	- 1 %	5 %
Premises and Technology	47.3	4%	2 %
Other	32.1	- 2 %	19 %
	$ 173.0	0 %	6 %

- Adjusted NIE up 6% Y/Y: mainly due to the acquisition of Northpoint, regular salary increases and higher professional fees to support our transformation
- Adjusted NIE relatively unchanged Q/Q: due to ongoing cost control efforts

Adjusted Efficiency Ratio

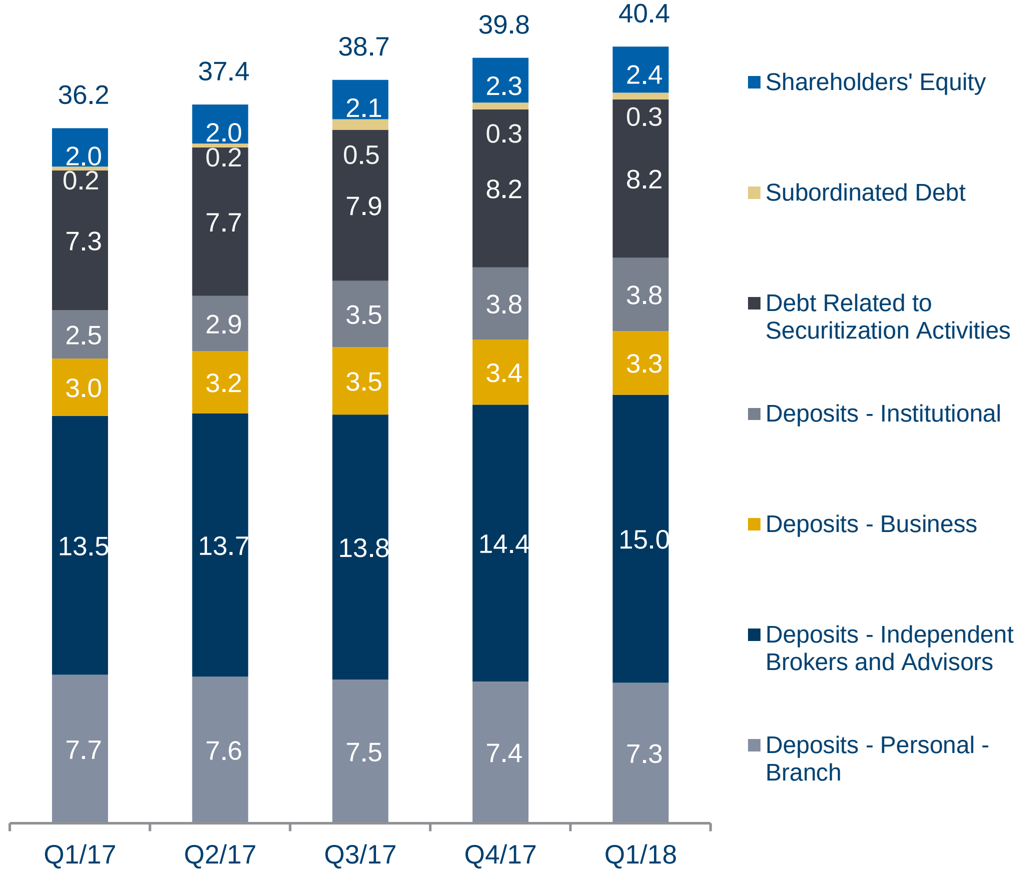


Adjusted efficiency ratio improved:

- 260 bps Y/Y

Optimizing Bank Funding Through Well Diversified Sources

Funding
($ billions)



Continue to optimize sources of funds which are well diversified, stable and strong:

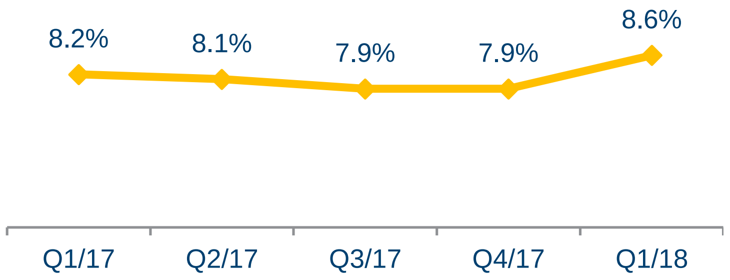
- Issued common shares for gross proceeds of $143.8M in Q1/18 and net proceeds of $139.2M
- Repurchased preferred shares of $100.0M in Q1/18

Total deposit growth (up 2% Q/Q and 10% Y/Y):

- Minimal attrition in branch deposits (down 1% Q/Q and 5% Y/Y) and in line with expectations given branch mergers
- Growth in deposits through independent brokers and advisors (up 4% Q/Q and 11% Y/Y)
- Strong growth in Institutional deposits (up 1% Q/Q and 51% Y/Y)

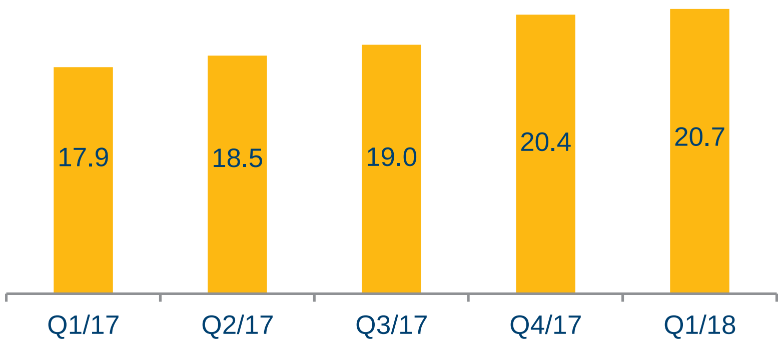
Capital Management

Common Equity Tier 1 Capital Ratio (CET1)

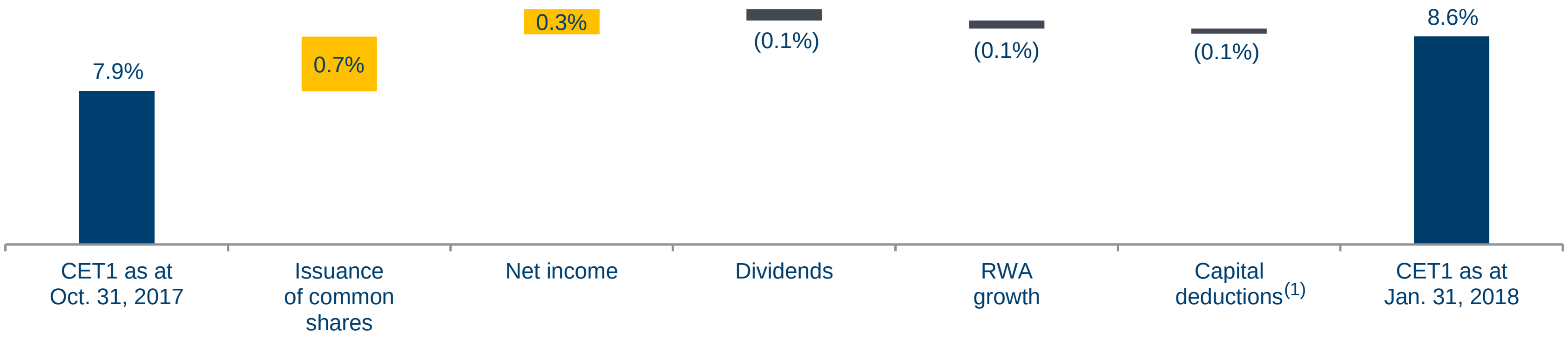


Risk-Weighted Assets

($ billions)



Evolution of the CET1 Ratio

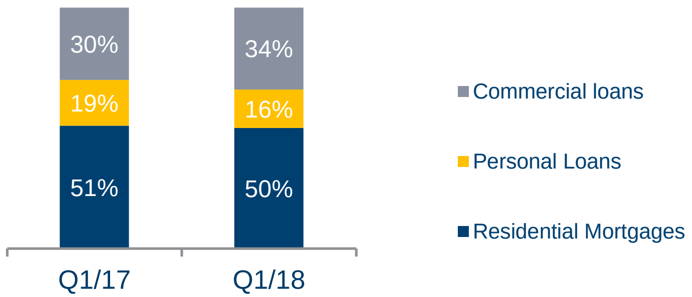


(1) Comprised of deductions for software and other intangible assets, goodwill, pension plan assets and other.

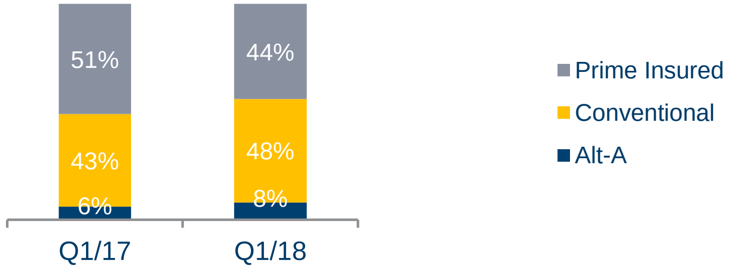
RISK REVIEW

Laurentian Bank Loan Portfolios – Well Diversified

Loan Portfolio Mix

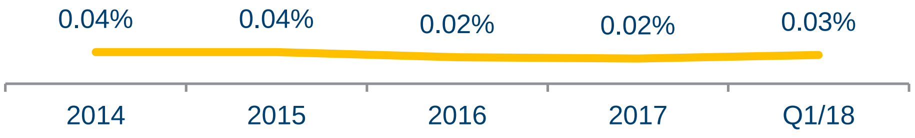


Residential Mortgages – Insured vs Uninsured



Provision for Credit Losses – Residential Mortgages

(As a % of average residential mortgages)



Laurentian Bank has a diversified lending product suite:

- Commercial loans represent 34% as at Q1/18 compared to 30% as at Q1/17 as we evolve our portfolio mix
- Residential mortgages represent 50% as at Q1/18 of total loans

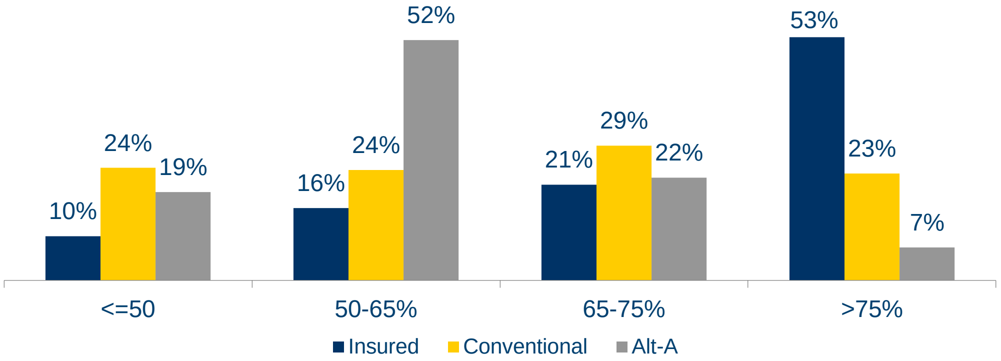
Large proportion of the Bank's mortgage portfolio is insured prime mortgages:

- Declining proportion of insured mortgages given changes to eligibility requirements for mortgage insurance - an industry-wide trend
- 56% of the residential mortgage portfolio is uninsured and comprised of Conventional and Alt-A mortgages
- Alt-A mortgages are originated by B2B Bank and represent 8% of the total mortgage book and 4% of the total loan portfolio

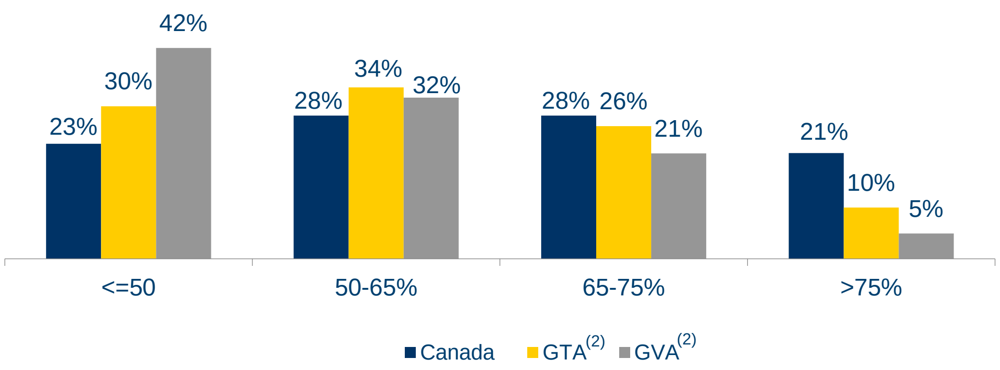
Consistently low loan losses

High Quality Mortgage Portfolio – Low Loan-to-Value

Loan-to-Value Distribution
(As at January 31, 2018)



Loan-to-Value Distribution (Uninsured) (1)
(As at January 31, 2018)



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

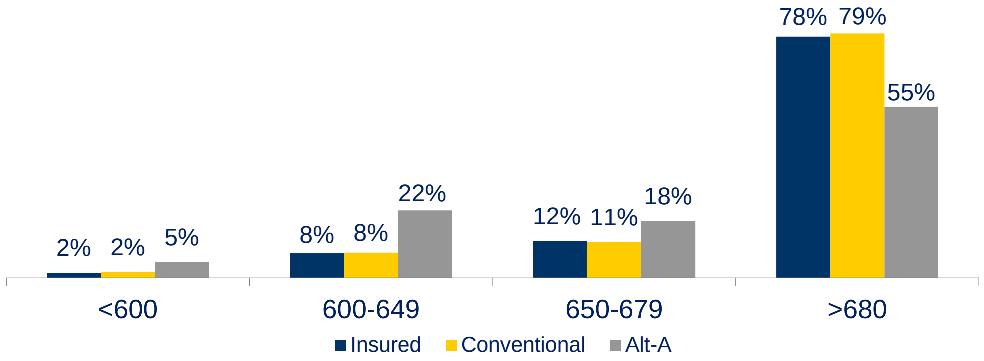
- Vast majority of uninsured and Alt-A mortgages have LTVs of 75% or less
  - 77% of Conventional portfolio
  - 93% of Alt-A portfolio

- Substantial buffer against potential home price declines with LTVs of 75% or less
  - 79% of total portfolio
  - 90% 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 Portfolio – High Beacon Scores

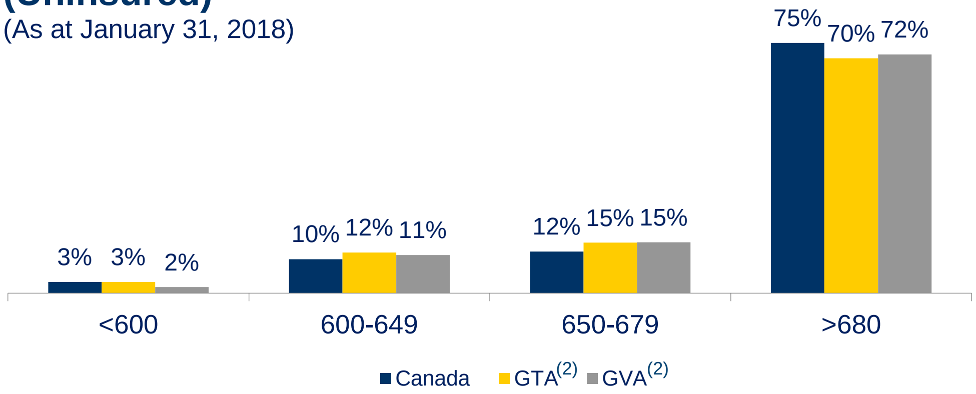
Beacon Distribution
(As at January 31, 2018)



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
  - 73% of Alt-A portfolio

Geographic Beacon Distribution (Uninsured) (1)
(As at January 31, 2018)



- High credit worthiness of the portfolio with beacon score >650
  - 87% of total portfolio
  - 85% of GTA portfolio
  - 87% of GVA portfolio

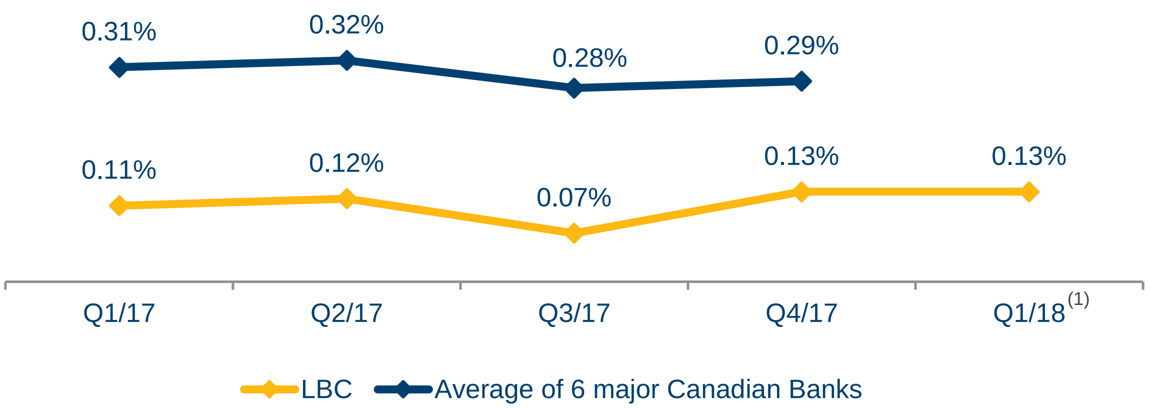
(1) Uninsured equals prime uninsured plus Alt-A

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

Provision for Credit Losses (PCL)

PCL

(As a % of average loans and acceptances)



PCL ($ millions)	**Q1/18**	**Q4/17**	**Q1/17**
Personal Loans	$ 7.0	$ 3.8	$ 8.6
Residential Mortgage Loans	1.6	0.8	0.9
Commercial Loans	3.4	6.9	- 0.5
	$ 12.0	$ 11.5	$ 9.0

Low loss ratio:

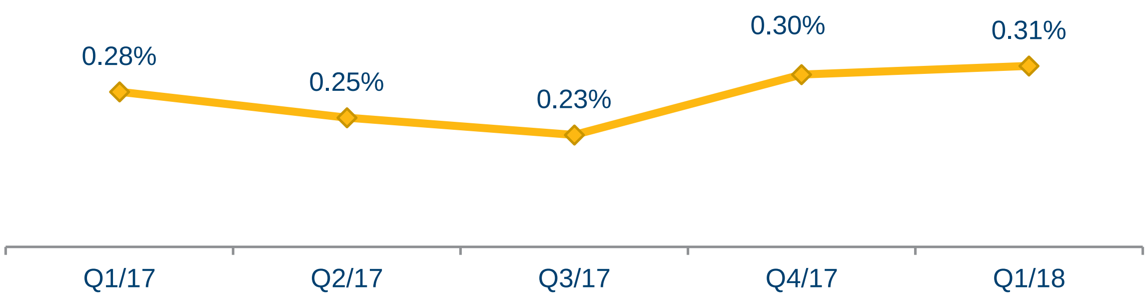
- Up 2 bps Y/Y:
  - Includes impact of the evolution of the mix and overall growth in the loan portfolio
  - The continued relatively low level of credit losses reflects the overall underlying good credit quality of the loan portfolios
- 97% of our loan book is collateralized
- Expected to trend slightly higher as the loan portfolio mix evolves

(1) Q1/18 average for 6 major Canadian banks is not yet available.

Impaired Loans

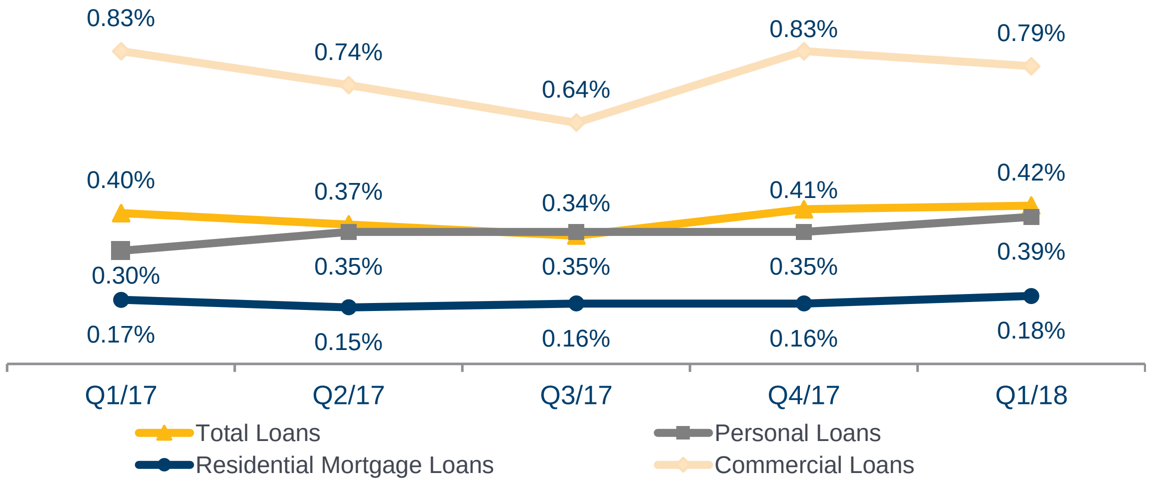
Net Impaired Loans (NIL) (1)

(As a % of loans and acceptances)



Gross Impaired Loans

(As a % of loans and acceptances)

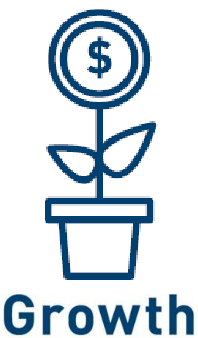


- Gross impaired loans of $153.8M, increased by $1.9M Q/Q, and $20.4M Y/Y and includes the impact of the evolution and overall growth in the loan portfolio
- Loan portfolios continue to perform well
- Gross impaired loans remain at relatively low levels, reflecting the good credit quality of the underlying portfolios

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

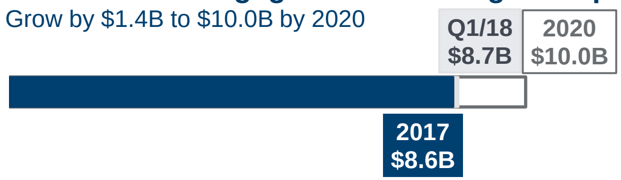
MID-TERM OBJECTIVES

Our 2020 Medium-Term Growth Targets

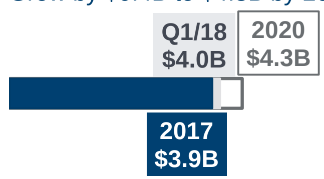


Loans to Business Customers
Grow by $1.8B to $14.0B by 2020

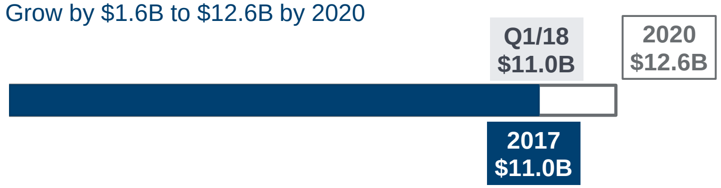
Residential Mortgage Loans Through Independent Brokers and Advisors
Grow by $1.4B to $10.0B by 2020



Assets Under Management at Laurentian Bank Securities
Grow by $0.4B to $4.3B by 2020



Assets Under Management from Retail Services Clients (1)
Grow by $1.6B to $12.6B by 2020



Total Deposits from Clients (2)
Grow by $1.9 to $27.1B by 2020

(1) Including deposits and mutual funds from Retail clients.
(2) Including deposits through branches, independent brokers and advisors and commercial clients.

Our 2020 Medium-Term Objectives and Performance

Q1/18 Performance

Adjusted ROE

11.5% gap at 430 bps [1]

Narrow gap to 300 bps by 2020 [2]

Adjusted Efficiency Ratio

64.8%

< 65% by 2020

Adjusted Diluted EPS

$1.49 up 4% [3]

Grow by 5% to 10% annually

Adjusted Operating Leverage

4.3% [3]

Positive

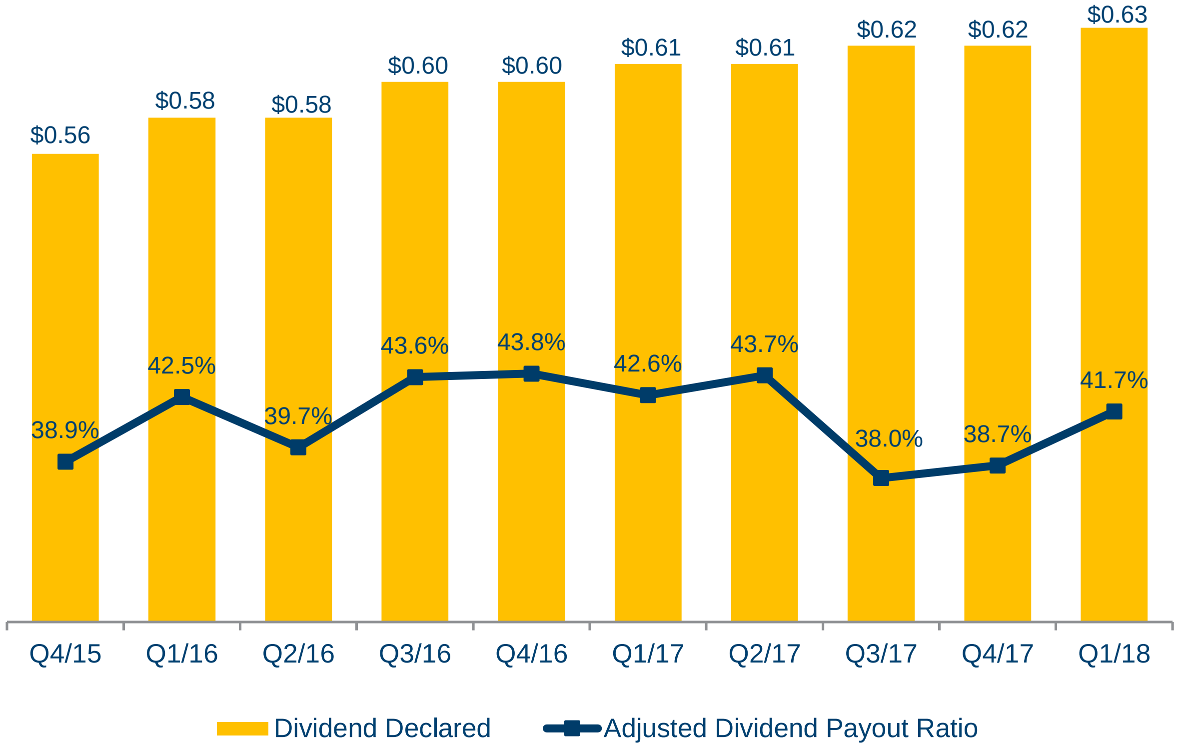
(1) Gap based on Q4/17 YTD results (the average of the 6 major Canadian banks at 15.8%).
(2) Compared to the major Canadian banks and to achieve a comparable ROE by 2022.
(3) Compared to Q1/17.

APPENDICES

Dividend Growth

Dividends Declared Per Common Share and Adjusted Dividend Payout Ratio

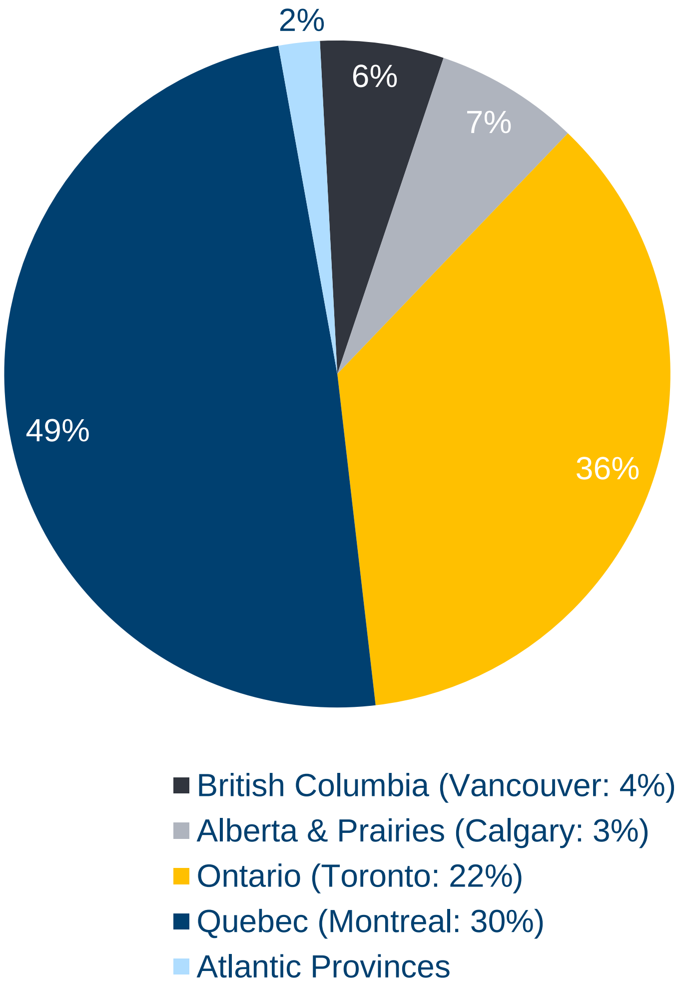
($/share and as a %)



- Dividend has increased by 13% since Q4/15
- Target payout Ratio: 40% to 50%

Residential Mortgage Portfolio

Portfolio of $18.6B as at January 31, 2018



Insured, Uninsured & Loan to Value (LTV) by Province

	% of Residential Mortgage Portfolio		LTV % (1)
	Uninsured	Insured	
British Columbia	62	38	58
Alberta & Prairies	36	64	71
Ontario	63	37	58
Quebec	53	47	63
Atlantic Provinces	38	62	71
Total	56	44	62

(1) Reflects current estimated value, including HELOCs.

Non-GAAP Measures

($ millions, except per share amounts)	Q1/18	Q4/17	Q1/17
Reported net income	$ 59.7	$ 58.6	$ 48.5
Adjusting items, net of income taxes [(1)]			
Impairment and restructuring charges			
Severance charges	-	2.4	-
Other restructuring charges	0.7	1.8	0.7
	$ 0.7	$ 4.2	$ 0.7
Items related to business combinations			
Amortization of net premium on purchased financial instruments	0.5	0.5	0.8
Amortization of acquisition-related intangible assets	1.9	2.2	0.2
Other costs related to business combinations	0.4	0.9	2.7
	$ 2.8	$ 3.7	$ 3.6
	$ 3.5	$ 7.8	$ 4.3
Adjusted net income	$ 63.2	$ 66.5	$ 52.7
Reported diluted earnings per share	$ 1.41	$ 1.42	$ 1.30
Adjusting items	0.09	0.21	0.13
Adjusted diluted earnings per share	$ 1.49	$ 1.63	$ 1.43

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

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