Important Notice

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.

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.

By their nature, such forward-looking information and statements are subject to significant risks and uncertainties, which could cause the actual results and experience to be materially different than the anticipated results. Such risks and uncertainties include, but are not limited to, operating performance, regulatory and government decisions, competitive pressures and the ability to retain major customers, rapid technological changes, availability and cost of financing, availability of labour and management resources and the performance of partners, contractors and suppliers.

Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Except as required by law, Element disclaims any intention and assumes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.
Element Financial has announced the acquisition of GE Capital’s Fleet Operations in the United States & Mexico and Australia & New Zealand (“GE Fleet”) for C$8.6 billion

In a related transaction, the sale of GE Capital’s European fleet portfolio to BNP Paribas / Arval strengthens Element’s global fleet management alliance

Element has been GE’s North American Fleet partner for ~2 years after Element acquired GE Fleet Canada

| Operating Regions being Acquired by Element | • North America: U.S. and Mexico  
• Australia and New Zealand (“ANZ”) |
| Transaction Value | • C$8.6 billion (including working capital, premium and transaction expenses) |
| Accretion | • ~20% accretion to annual EPS based on fully annualized synergies in the range of US$90-US$95 million |
| ROE | • Annualized ROE expected to reach ~13% by Q4 2016 based on fully annualized synergies in the range of US$90-US$95 million |
| Leverage | • Tangible Leverage of 4.3:1 pro-forma (3.9:1 as of Q1 2015) pursuant to bank covenant and approximately 5.3:1 according to other market convention |
| Financing | • Required equity and equity-linked capital of C$2.7 billion raised in May 2015  
• Senior line increased from US$2.0 billion to US$8.5 billion |
| Credit Rating | • Kroll affirms BBB+ rating (stable outlook) |
| Pro-Forma Assets | • Element’s fleet net earning assets to increase to over C$13 billion; total assets to increase to over C$21 billion |
| Timing | • North America expected closing end of Q3 2015; ANZ expected closing Q4 2015 |
GE Capital Fleet Overview

- GE Fleet provides commercial car and truck financing, and fleet management services
  - Established in 1987 and based in Eden Prairie, Minnesota
- Core and highly profitable business, but identified as part of GE “pivot” strategy announced on April 10, 2015
- ~740,000 managed vehicles in total (~580,000 excluding Europe)
  - North America: ~480,000
  - ANZ: ~100,000
  - Europe: ~160,000
- GE Fleet’s European business to be sold to BNP Paribas (Arval partner)

Net Earning Assets being Acquired (C$7.1 billion)

$5.0 71%
$1.8 25%
$0.3 4%

U.S.
Mexico
ANZ

(1) 50% of Mexican customers are U.S. multinational companies
## GE Fleet U.S. Overview

<table>
<thead>
<tr>
<th>Key Metric</th>
<th>Element Fleet Management</th>
<th>GE Capital Fleet Services US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Net Earning Assets</td>
<td>C$6.0 billion</td>
<td>C$5.0 billion</td>
</tr>
<tr>
<td># of Managed Vehicles</td>
<td>~420k</td>
<td>~450k</td>
</tr>
<tr>
<td>% Investment Grade</td>
<td>63.5%</td>
<td>62.1%</td>
</tr>
<tr>
<td>Historical Losses</td>
<td>&lt; 0.10%</td>
<td>&lt; 0.10%</td>
</tr>
<tr>
<td>Service Revenue as % of Net Revenue</td>
<td>45%</td>
<td>35%</td>
</tr>
</tbody>
</table>
The GE Fleet portfolio ratings reflect a very close correlation to that of the current Element Fleet portfolio. GE Fleet’s portfolio distribution comprises 62.1% of accounts with public investment grade ratings (BBB- or higher), as compared to 63.5% for Element Fleet.
GE Fleet Mexico Overview

- 59% investment grade credit with 50% of customers multi-national corporations
- Asset concentration closely mirrors the U.S. portfolio, predominantly cars and light trucks
- Risk processes closely aligned with the U.S.
- Actual credit losses have been negligible
- The GE Fleet Mexico portfolio has net earnings assets of approximately US$300 million
- Strong Know your Client and Anti Money Laundering procedures

**GE Fleet Mexico Portfolio Rating**
- 59% BBB- or Higher
- 32.4% BB+ to BB-
- 8.7% Below BB

**GE Fleet Mexico By Asset Class**
- 80% Cars
- 20% Light Trucks
The GE Fleet portfolio in Australia and New Zealand has net earnings assets of approximately C$895 million in Australia and C$860 million in New Zealand.

- Risk processes closely aligned with the U.S.
- Actual credit losses have been negligible.
- Novated leases have been offered in Australia as a benefit to employees for over 20 years as part of their remuneration packages (1).

---

(1) Three way agreement between the employee, employer and an external leasing company; employer agrees to meet the financial obligations of the lease on behalf of the employee and recovers the cost of doing so from the employee’s remuneration package; provides tax benefits to the employee through financing the vehicle out of a combination of pre-tax and post-tax salary.
There are approximately 15 fleet leasing companies in ANZ, many of which have global operations.

Similar to North America, the top 5 companies represent the majority of the market.

Element is acquiring the largest fleet operation in ANZ, thereby creating significant strategic opportunities.

The ANZ environment supports stable operations and banks do not directly participate in the sector.

### Australia Fleet Market Ranking

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Vehicles Managed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6E Capital Fleet Services</td>
<td>~100,000</td>
</tr>
<tr>
<td>2</td>
<td>sgfleet</td>
<td>~84,000</td>
</tr>
<tr>
<td>3</td>
<td>eclipsx</td>
<td>~80,000</td>
</tr>
<tr>
<td>4</td>
<td>LeasePlan</td>
<td>~80,000</td>
</tr>
<tr>
<td>5</td>
<td>Toyota Financial Services</td>
<td>~80,000</td>
</tr>
</tbody>
</table>

### Australia Fleet Public Market Activity

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Cap (C$)</th>
<th>Premium to Net Earning Assets</th>
<th>Advance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>eclipsx</td>
<td>645mm</td>
<td>40%+</td>
<td>95%-100%</td>
</tr>
<tr>
<td>sgfleet</td>
<td>595mm</td>
<td>nmf.</td>
<td>95%-100%</td>
</tr>
</tbody>
</table>

(1) Converted from AUD to CAD at 0.94
Element’s Fleet Business Consolidation

Cumulative Growth in Fleet Net Earning Assets
$ Billions (CAD)

$0.4
December 2012

$1.0
June 2013

$5.4
September 2014

$13.1
March 2015 Pro-Forma

June 2012
Acquisition of TLS Fleet Management from Scotiabank

May 2013
Acquisition of GE Fleet Canada

June 2014
Acquisition of PHH Fleet

2015
Acquisition of GE Fleet North America and ANZ

• Established in 1980
• Superior credit experience and fee revenue (40%)
• #3 market share in Canadian automotive fleet

• Established in 1987
• Portfolio purchase and strategic Canada / US cross-border fleet management alliance
• Portfolio compromised of ~650 regionally diversified customers with low turnover

• Established in 1946
• Acquisition of U.S. and Canadian assets and operations of PHH Arval

• Established in 1987
• Leading North American position
Attractive Net Earning Assets Profile

- Fleet to comprise 73% of Element’s total pro-forma net earning assets
- Element will become the largest fleet company in North America
- Fleet and Rail to comprise over 80% of total pro-forma net earning assets

**Element Net Earning Assets**
(as of March 31, 2015)

- $6.0 billion
  - Fleet: $2.1 billion (19%)
  - Rail: $1.4 billion (13%)
  - Vendor & Aviation: $1.3 billion (12%)

**Pro-Forma Element Net Earning Assets**
(as of March 31, 2015)

- $13.1 billion
  - Fleet: $2.1 billion (12%)
  - Rail: $1.4 billion (8%)
  - Vendor & Aviation: $1.3 billion (7%)

C$10.8 billion

C$17.9 billion
Creating the Leading North American Fleet Company

- Element is continuing its strategy of consolidating the North American fleet leasing and services industry.

**Leading U.S. Fleet Lessors Market Share (1)**

- GE Fleet: 23.9%
- Element: 13.1%
- ARI: 8.6%
- LeasePlan: 8.7%
- Enterprise: 11.1%
- Wheels: 2.5%
- Donlen: 3.3%
- Emkay: 5.8%
- Others (5): 4.2%

**Leading Canadian Fleet Lessors Market Share (1)**

- Element: 42.9%
- ARI: 9.2%
- Foss: 5.6%
- Pattison: 31.0%
- Emkay: 2.6%
- Wheels: 4.5%
- Others (4): 4.2%

Source: Automotive Fleet, 49th Fact Book

Source: Automotive Fleet, 2015 Fact Book

(1) Converted from AUD to CAD at 0.94
Improved Balance Sheet Strength

- Element’s senior credit facility has been increased from US$2.0 billion to US$8.5 billion through a syndicate of Canadian and international banks
  - Extended for a three-year term from the date of closing the acquisition
  - Fleet advance rate increased from 90% to 92%, reflecting the high quality of the underlying assets
  - Immediate 20bps reduction in funding costs
  - Further reduction in funding costs upon Element securing a second credit rating
  - Covenant pattern improved reflecting strengthening investment grade credit
  - Senior credit facility will be reduced with more cost effective financing over the next 9-12 months
- Kroll affirms BBB+ rating (stable outlook)
  - Views the transaction as credit positive
- Balance sheet supports further industry consolidation at the appropriate time
Realizable Synergies

- Realizable annualized synergies in the range of US$90-US$95 million
  - Integration expected to be completed by Q1 2017
- 20% annual accretion; 16% reflected in 2016 and the remainder in early 2017
- **Revenue increases:** leveraging increased scale and volume in Maintenance, Vehicle Accident Services, Fuel, Remarketing and Vehicle Acquisition and Upfitting
  - Service fees from existing single point-of-contact customer service program and new business pricing discipline
- **Expense reductions:** combining systems and operations-enabling functions to leverage a single best-in-class North American infrastructure
  - North American head office and facilities consolidation
  - Risk, legal, technology and finance consolidation
  - Improved cost of funds
Integration

- Business to be continued under formal Transitional Services Agreement with GE, similar in breadth and performance to previous transactions
- Formal integration plan is well underway, and will be ready for execution by closing
- Oversight by Credit Committee, Risk Committee and Board of Directors
- Quarterly status reporting (report card to investors)
- Expert 3rd parties to be utilized
- Realizable annualized synergies in the range of US$90-US$95 million
  - C$25 million realized on integrating of PHH Canadian operations
  - Larger combined technology footprint
  - Larger integration opportunities in U.S. as book is ~4x the PHH Canadian book
  - Savings from cost reductions, efficiencies and procurement savings
  - To be realized over an estimated 12 month period
- Valuable experience acquired from the PHH integration and prior GE Canada integration
- Areas of focus:
  - Consolidation of technologies
  - Merging of offices
  - Consolidate operating structure and management
  - Procurement opportunities
On closing of the two transactions, the Element-Arval Global Fleet Alliance will be capable of managing customer fleets in more than 40 countries.
Opportunity for Further Value Creation

- Well Diversified Traditional Leasing Company
- Consolidation of North American Fleet with Continued Strong Presence in each Vertical
- Opportunity to grow high margin service fee revenue

Trading Multiple / Market Cap

- Increasing Scale, Capabilities, Funding
- Pristine Balance Sheet and Growth in High Margin Service Fee Revenue

Pro-Forma GE Fleet Transaction
Value creation from scale effects / synergies

Element

Leading North American Leasing Company
Fleet, Rail, Commercial & Vendor and Aviation

Drives Higher Returns
Growth in high margin service fee revenue and platform to pursue additional consolidation opportunities
Transaction Benefits

- An acquisition in Element’s preferred vertical – Fleet
  - Element will become one of the largest fleet companies in North America
  - Low risk business (92% advance rate from banking syndicate and 96% advance rate from ABS market reflects high asset quality and stable business)

- High quality assets being acquired
  - Consistent with credit quality and asset type of existing Element Fleet business

- Attractive financial metrics
  - Highly accretive to after-tax EPS driven by synergies potential

- Financed with a view to industry consolidation
  - Capital markets raise (C$2.7 billion) and bank funding commitment (US$8.5 billion)
  - Kroll affirms BBB+ credit rating with stable outlook; credit positive transaction

- Strategic Opportunity
  - Acquiring a leading fleet business in ANZ

- Leverages management expertise
  - Capitalizes on Element’s favourable track-record of successfully integrating large acquisitions

- Expanded and enhanced service offering will deliver incremental cost savings for Element’s fleet customers
Questions