

## ACCORD FINANCIAL CORP.

### Accord Announces Record 2015 Third Quarter and First Nine Months Earnings and Declares Regular Quarterly Dividend

**Toronto – October 28, 2015:** Accord Financial Corp. (TSX – ACD) today released its financial results for the three and nine months ended September 30, 2015. The financial figures presented in this release are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards.

#### SUMMARY OF FINANCIAL RESULTS

	Three Months Ended Sept.		Nine Months Ended Sept.	
	2015	2014	2015	2014
	\$	\$	\$	\$
Average funds employed (millions)	156	149	151	142
Revenue (000's)	8,521	8,165	23,737	22,311
Net earnings (000's)	2,524	2,176	5,965	4,510
Adjusted net earnings (000's) (note)	2,551	2,263	6,300	5,091
Earnings per common share (basic and diluted)	0.30	0.26	0.72	0.54
Adjusted earnings per common share (basic and diluted)	0.31	0.27	0.76	0.61
Book value per share (Sept. 30)			\$ 8.38	\$ 7.06

Net earnings, a third quarter record, rose 16% to \$2,524,000 compared to \$2,176,000 last year. Net earnings increased mainly as a result of higher revenue, lower provision for losses and a reduced effective income tax rate. Earnings per share (“EPS”) increased by 15% to a third quarter record 30 cents compared to 26 cents last year. Adjusted net earnings, also a third quarter record, totaled \$2,551,000, 13% above the \$2,263,000 earned in the third quarter of 2014. Adjusted EPS increased by 15% to a third quarter record 31 cents compared to 27 cents in last year’s third quarter.

Revenue, also a third quarter record, was 4% higher at \$8,521,000 in the current quarter compared to \$8,165,000 last year. Revenue increased on higher average funds employed, which rose by 5% in the current quarter compared to the third quarter of 2014.

Net earnings in the first nine months of 2015 increased by 32% to a record \$5,965,000 compared with \$4,510,000 in the first nine months of 2014 as a result of higher revenue and a lower effective income tax rate. EPS rose 33% to a nine month record 72 cents compared to 54 cents last year. Adjusted net earnings increased by 24% to a record \$6,300,000 in the first nine months of 2015 compared to \$5,091,000 last year. Adjusted EPS were up 25% to a record 76 cents compared to 61 cents last year.

Revenue increased 6% to a nine month record \$23,737,000 this year compared to \$22,311,000 last year as average funds employed rose by 6% to \$151 million in the first nine months of 2015.

Commenting on the third quarter and first nine months of 2015 results, Mr. Tom Henderson, the Company’s President and CEO, stated: “It’s always nice to report record earnings. In the midst of a difficult time for our industry, it feels good to report these earnings. Especially satisfying to me is that your company is positioned to perform well no matter how the global economy performs.”

At the Company's Board of Directors (“Board”) meeting held today, the Board under the Company’s non-executive directors’ stock option plan, granted a total of 100,000 stock options to its five independent directors at an exercise price of \$9.56, being yesterday’s closing price of the Company’s shares on the Toronto Stock Exchange. The options vest over a period of three years.

The Board also declared a regular quarterly dividend of \$0.09 per common share, payable December 1, 2015 to shareholders of record November 13, 2015.

## About Accord Financial Corp.

Accord Financial Corp. is a leading North American finance company providing distinctive working capital solutions to companies from coast to coast. Accord's flexible finance programs cover the full spectrum of asset-based lending, from factoring and inventory finance, to equipment leasing and trade finance. For 38 years, Accord has helped businesses manage their cash flows and maximize financial opportunities – keeping business liquid.

For further information please visit [www.accordfinancial.com](http://www.accordfinancial.com) or contact:

Stuart Adair  
Senior Vice President, Chief Financial Officer  
Accord Financial Corp.  
77 Bloor Street West, Suite 1803  
Toronto, ON M5S 1M2  
(416) 961-0304 Ext. 207  
[sadair@accordfinancial.com](mailto:sadair@accordfinancial.com)

## **Note: Non-IFRS measures**

The Company's financial statements have been prepared in accordance with IFRS. The Company uses a number of other financial measures to monitor its performance and believes these measures may be useful to investors in evaluating the Company's operating performance and financial position. These measures may not have standardized meanings or computations as prescribed by IFRS that would ensure consistency between companies using these measures and are, therefore, considered to be non-IFRS measures. The non-IFRS measures presented in this press release are as follows:

1) Adjusted net earnings and adjusted EPS. The Company derives these measures from amounts presented in its IFRS prepared financial statements. Adjusted net earnings comprise net earnings before non-operating stock-based compensation and business acquisition expenses (namely, transaction and integration costs and amortization of intangibles). Adjusted EPS is adjusted net earnings divided by the weighted average number of common shares outstanding in the period. Management believes adjusted net earnings is a more appropriate measure of operating performance as it excludes items which do not relate to ongoing operating activities. The following table provides a reconciliation of the Company's net earnings to adjusted net earnings:

	Three Months Ended Sept. 30		Nine Months Ended Sept. 30	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Net earnings reported	2,524	2,176	5,965	4,510
Adjustments, net of tax:				
Stock-based compensation	(79)	(14)	18	231
Business acquisition expenses	106	101	317	350
Adjusted net earnings	<u>2,551</u>	<u>2,263</u>	<u>6,300</u>	<u>5,091</u>

2) Book value per share – book value is the net asset value of the Company calculated as total assets minus total liabilities and, by definition, is the same as total equity. Book value per share is the net asset value divided by the number of common shares outstanding as of a particular date.

3) Funds employed are the Company's finance receivables and loans, an IFRS measure. Average funds employed are the average finance receivables and loans calculated over a particular period.