

ACCORD FINANCIAL CORP.

Accord Announces First Quarter 2016 Results

Toronto – May 4, 2016: Accord Financial Corp. (TSX – ACD) today released its financial results for the quarter ended March 31, 2016. 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 March 31	
	2016	2015
	\$	\$
Average funds employed (millions)	142	142
Revenue (000's)	6,871	7,559
Net earnings (000's)	1,465	1,705
Adjusted net earnings (000's) (note)	1,591	1,865
Earnings per common share (basic and diluted)	0.18	0.21
Adjusted earnings per common share (basic and diluted)	0.19	0.22
Book value per share (Mar. 31)	\$ 8.61	\$ 7.83

Net earnings decreased by \$240,000 or 14% to \$1,465,000 in the first quarter of 2016 compared to the \$1,705,000 earned last year. Net earnings declined mainly as a result of lower revenue. Earnings per common share ("EPS"), decreased to 18 cents compared to 21 cents last year. Adjusted net earnings were \$1,591,000, 15% lower than the \$1,865,000 earned in the first quarter of 2015. Adjusted EPS were 19 cents compared to 22 cents in last year's first quarter.

Revenue declined by 9% to \$6,871,000 in the first quarter compared to \$7,559,000 last year mainly as a result of lower fees earned from receivables management and somewhat lower yields. Average funds employed remained unchanged at \$142 million in the first quarter of 2016 compared to last year's first quarter.

Commenting on the first quarter's results, Mr. Tom Henderson, the Company's President and CEO, noted: "We came away from the first quarter with mixed feelings; while revenue and earnings were down compared to last year's record levels, our "pipeline" of new business was strong at the end of the first quarter and we are looking forward to higher activity for the balance of the year."

As noted in the Company's press release of April 18, 2016, a regular quarterly dividend of \$0.09 per share has been declared payable June 1, 2016 to shareholders of record at the close of business May 16, 2016.

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.

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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 that 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 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 March 31	
	2016	2015
	\$'000	\$'000
Net earnings reported	1,465	1,705
Adjustments, net of tax:		
Stock-based compensation	32	54
Business acquisition expenses	94	106
Adjusted net earnings	<u>1,591</u>	<u>1,865</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.