ACCORD FINANCIAL CORP.

Accord Announces 2016 Second Quarter and First Half Earnings and Regular Quarterly Dividend

Toronto – July 27, 2016: Accord Financial Corp. (TSX – ACD) today released its financial results for the three and six months ended June 30, 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 June 30		Six Months Ended June 30	
	2016	2015	2016	2015
	$	$	$	$
Average funds employed (millions)	152	155	147	148
Revenue (000's)	6,897	7,657	13,768	15,216
Net Earnings (000's)	1,627	1,736	3,091	3,441
Adjusted net earnings (000's) (note)	1,800	1,885	3,390	3,749
Earnings per common share (basic and diluted)	0.20	0.21	0.37	0.41
Adjusted earnings per common share (basic and diluted)	0.22	0.23	0.41	0.45
Book value per share (June 30)			$ 8.69	$ 7.90

Net earnings for the second quarter of 2016 declined by 6% to $1,627,000 compared to $1,736,000 last year. Net earnings decreased as a result of lower revenue. Earnings per share ("EPS") declined 5% to 20 cents compared to 21 cents last year. Adjusted net earnings totaled $1,800,000 in the second quarter of 2016, 5% below the $1,885,000 earned in the second quarter of 2015. Adjusted EPS decreased 4% to 22 cents compared to 23 cents in last year's second quarter.

Revenue declined by 10% to $6,897,000 in the current quarter compared to $7,657,000 last year. Revenue decreased mainly as a result of lower receivables management fees compared to the second quarter of 2015.

Net earnings in the first half of 2016 decreased by 10% to $3,091,000 compared with $3,441,000 in the first half of 2015 as a result of lower revenue. EPS declined 10% to 37 cents compared to 41 cents last year. Adjusted net earnings also decreased by 10% to $3,390,000 in the first half of 2016 compared to $3,749,000 last year. Adjusted EPS declined by 9% to 41 cents compared to 45 cents last year.

Revenue declined by 10% to $13,768,000 this year compared to $15,216,000 last year mainly for the reason noted above.

Commenting on the second quarter and first half 2016 results, Mr. Tom Henderson, the Company's President and CEO, stated: "A number of our Canadian clients qualified for traditional financing during the quarter, while we had slower than planned growth in the U.S. In spite of this, funds employed grew by $2 million over March 31, 2016. Our new business pipeline in both countries remains solid and I am hopeful we will convert more of that pipeline to active clients in the second half of the year. We opened a new office for our U.S. business at the end of June located in suburban Chicago. We expect this unit to grow and become an ever increasing contributor to our earnings"

The Company's Board of Directors today declared a quarterly dividend of $0.09 per common share, payable September 1, 2016 to shareholders of record August 15, 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 June 30		Six Months Ended June 30	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Net earnings reported	1,627	1,736	3,091	3,441
Adjustments, net of tax:				
Stock-based compensation	79	43	112	97
Business acquisition expenses	94	106	187	211
Adjusted net earnings	1,800	1,885	3,390	3,749

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.