ACCORD FINANCIAL CORP.

Accord Announces 2016 Third Quarter and First Nine Months Earnings and Declares Regular Quarterly Dividend

Toronto – November 1, 2016: Accord Financial Corp. (TSX – ACD) today released its financial results for the three and nine months ended September 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 Sept. 30		Nine Months Ended Sept. 30	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Average funds employed (millions)	**151**	**156**	**148**	**151**
Revenue (000's)	**7,032**	**8,521**	**20,800**	**23,737**
Net earnings (000's)	**1,265**	**2,524**	**4,357**	**5,965**
Adjusted net earnings (000's) (see note below)	**1,923**	**2,551**	**5,313**	**6,300**
Earnings per common share (basic and diluted)	**0.15**	**0.30**	**0.52**	**0.72**
Adjusted earnings per common share (basic and diluted)	**0.23**	**0.31**	**0.64**	**0.76**
Book value per share (Sept. 30)			**$ 8.83**	**$ 8.38**

Net earnings for the third quarter of 2016 declined to $1,265,000 compared to $2,524,000 last year. Net earnings decreased mainly as a result of lower revenue and a $738,000 restructuring expense related to employee and office space reductions. Earnings per share ("EPS") declined to 15 cents compared to 30 cents last year. Adjusted net earnings, comprising net earnings before stock-based compensation, amortization of intangibles and restructuring expenses, totalled $1,923,000 in the third quarter of 2016, 25% below the $2,551,000 earned in the third quarter of 2015. Adjusted EPS decreased to 23 cents compared to 31 cents in last year's third quarter.

Revenue declined to $7,032,000 in the current quarter compared to $8,521,000 last year. Compared to the third quarter of 2015, revenue decreased mainly as a result of lower average funds employed and yields thereon, as well as decreased receivables management fees.

Net earnings in the first nine months of 2016 decreased to $4,357,000 compared with $5,965,000 in the first nine months of 2015 as a result of lower revenue and, to a lesser extent, the above noted restructuring expense. EPS declined to 52 cents compared to 72 cents last year. Adjusted net earnings decreased to $5,313,000 in the first nine months of 2016 compared to $6,300,000 last year. Adjusted EPS declined to 64 cents compared to 76 cents last year. Revenue declined to $20,800,000 in the first nine months of 2016 compared to $23,737,000 last year for the above noted reasons.

Commenting on the third quarter and first nine months results, Mr. Tom Henderson, the Company's President and CEO, stated: "In addition to the decline in revenue for reasons noted above, results for the third quarter were also impacted by two events: the cost of right-sizing some of our Canadian operations; and expenses incurred to launch our new factoring division in Chicago. Combined, these costs amounted to approximately $874,000 in the third quarter."

Mr. Henderson further added: "Our Canadian equipment lending business, headquartered in Vancouver, is experiencing exciting growth as a result of new product introductions in the last twelve months. Also, as noted, our U.S. lending business opened a new division in Chicago in August to serve smaller U.S. borrowers who need working capital supported by their accounts receivable. I am pleased to say that business activity has recently improved and at September 30, 2016 our total funds employed were a record high $162 million. We are cautiously optimistic for the future."

The Company's Board of Directors today declared a quarterly dividend of $0.09 per common share, payable December 1, 2016 to shareholders of record November 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 ongoing 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, business acquisition expenses (namely, transaction and integration costs and amortization of intangibles) and restructuring expenses. 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 ongoing 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	
	2016	2015	2016	2015
(in thousands)	$'000	$'000	$'000	$'000
Net earnings reported	1,265	2,524	4,357	5,965
Adjustments, net of tax:				
Stock-based compensation	34	(79)	145	18
Business acquisition expenses	94	106	281	317
Restructuring expenses	530	–	530	–
Adjusted net earnings	1,923	2,551	5,313	6,300

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.