ACCORD FINANCIAL CORP.

Accord Announces Fourth Quarter and Fiscal 2016 Results

Toronto – February 22, 2017: Accord Financial Corp. (TSX – ACD) today released its financial results for the fourth quarter and year ended December 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 Dec. 31		Year Ended Dec. 31	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Average funds employed (millions)	**157**	**145**	**150**	**149**
Revenue (000's)	**7,722**	**7,840**	**28,523**	**31,577**
Net earnings (000's)	**2,210**	**2,794**	**6,566**	**8,759**
Adjusted net earnings (000's) (note)	**2,362**	**2,980**	**7,675**	**9,281**
Earnings per common share (basic and diluted)	**0.27**	**0.34**	**0.79**	**1.05**
Adjusted earnings per common share (basic and diluted)	**0.28**	**0.36**	**0.92**	**1.12**
Book value per share (Dec. 31)			**$ 9.11**	**$ 8.79**

Net earnings in 2016 were $6,566,000 compared with $8,759,000 in 2015 mainly as a result of lower revenue and a higher provision for credit and loan losses. Earnings per common share ("EPS") declined to $0.79 compared to $1.05 last year. Adjusted net earnings decreased to $7,675,000 in 2016 compared to $9,281,000 in 2015. Adjusted EPS declined to $0.92 compared to $1.12 the previous year.

Revenue declined to $28,523,000 this year compared to $31,577,000 last year as a result of reduced receivables management fees, as well as lower average yields on funds employed. Book value per share was a record $9.11 at year-end.

Net earnings for the fourth quarter of 2016 were $2,210,000 compared to $2,794,000 in 2015. Net earnings decreased mainly as a result of a lower recovery of credit and loan losses and higher expenses. EPS decreased to 27 cents compared to 34 cents last year. Adjusted net earnings were $2,362,000, compared to $2,980,000 earned in the fourth quarter of 2015. Adjusted EPS was 28 cents, below the 36 cents earned in last year's fourth quarter. Revenue declined slightly to $7,722,000 in the current quarter compared to $7,840,000 last year.

Commenting on 2016's results, the Company's President and CEO, Mr. Tom Henderson, stated: "We are disappointed with 2016's results but note that Accord was affected by the impact of new entrants in our space. These entrants forced rates to new lows which we would not match. We did not compromise our underwriting standards and our credit quality is at a good level. Accord was also impacted by several non-recurring costs in 2016. For example, we incurred a restructuring charge of $756,000 and had Chicago office startup costs of $399,000. We have since embarked on several initiatives within Accord to facilitate growth and are cautiously optimistic that 2017 will be a better year".

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 39 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, amortization of intangible assets 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 directly relate to ongoing operating activities. The following table provides a reconciliation of the Company's net earnings to adjusted net earnings:

	Three Months Ended Dec. 31		Year Ended Dec. 31	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Net earnings reported	2,210	2,794	6,566	8,759
Adjustments, net of tax:				
Stock-based compensation	43	81	189	99
Amortization of intangible assets	94	105	375	423
Restructuring expenses	15	–	545	–
Adjusted net earnings	2,362	2,980	7,675	9,281

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.