

ACCORD FINANCIAL CORP.

Accord Announces First Quarter 2017 Results

Toronto – May 3, 2017: Accord Financial Corp. (TSX – ACD) today released its financial results for the quarter ended March 31, 2017. 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	
	2017	2016
	\$	\$
Average funds employed (millions)	143	142
Revenue (000's)	6,501	6,871
Net earnings (000's)	1,226	1,465
Adjusted net earnings (000's) (note)	1,362	1,591
Earnings per common share (basic and diluted)	0.15	0.18
Adjusted earnings per common share (basic and diluted)	0.16	0.19
Book value per share (Mar. 31)	\$ 9.13	\$ 8.61

Net earnings decreased to \$1,226,000 in the first quarter of 2017 compared to the \$1,465,000 earned last year. Adjusted net earnings declined to \$1,362,000 from the \$1,591,000 earned in the first quarter of 2016. This decline resulted from lower revenue combined with a slightly higher borrowing expense. Revenue declined by 5% to \$6,501,000 in the first quarter compared to \$6,871,000 last year mainly as a result of lower overall portfolio yields. Average funds employed were slightly higher at \$143 million in the first quarter of 2017 compared to \$142 million last year.

Earnings per common share (“EPS”) decreased to 15 cents compared to 18 cents last year. Adjusted EPS were 16 cents compared to 19 cents in last year’s first quarter.

Commenting on the first quarter’s results, Tom Henderson, CEO, noted: “The first quarter is generally the toughest in our industry but, despite the seasonal headwinds, we finished the quarter with momentum. Funds employed increased to \$153 million at March 31 this year compared to \$144 million last year. Recent initiatives to streamline our operations and invest in our unique brand are starting to bear fruit. Accord’s respected brand continues to be recognized in our key markets. We look forward to building on this momentum.”

As noted in the Company’s press release of April 17, 2017, a regular quarterly dividend of \$0.09 per share was declared payable June 1, 2017 to shareholders of record at the close of business May 17, 2017.

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 and amortization of intangible assets. 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 March 31	
	2017	2016
	\$'000	\$'000
Net earnings reported	1,226	1,465
Adjustments, net of tax:		
Stock-based compensation	69	32
Amortization of intangible assets	67	94
Adjusted net earnings	<u>1,362</u>	<u>1,591</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.