



## Laurentian Bank of Canada announces closing of bought deal offering of subscription receipts

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MONTREAL, July 20, 2016 /CNW Telbec/ - Laurentian Bank of Canada (TSX: LB) (**Laurentian Bank** or the **Bank**) has announced today that it has completed its previously announced bought deal offering (the **Offering**) of subscription receipts (the **Subscription Receipts**).

On June 29, the Bank entered into an agreement with a syndicate of underwriters (the **Underwriters**) led by TD Securities Inc. under which the Underwriters agreed to buy, on a bought deal basis, from Laurentian Bank 2,824,000 Subscription Receipts at a price of \$47.85 per Subscription Receipt. Effective at the closing, the Underwriters exercised in full their over-allotment option to acquire an additional 423,600 Subscription Receipts, such that a total of 3,247,600 Subscription Receipts were issued for total gross proceeds of \$155,397,660.

Proceeds from the Offering will be used to finance a portion of the purchase price for the acquisition of the Canadian equipment financing and corporate financing activities of CIT Group Inc., a portfolio of approximately \$1 billion (the **Acquisition**). The Acquisition is expected to close in the last quarter of the 2016 fiscal year.

Each Subscription Receipt will entitle the holder to the right to receive one common share (**Common Share**) of the Bank, together with an amount per Subscription Receipt equal to the amount that would have been declared as dividends on the Common Shares issuable on the exchange of such Subscription Receipt. The proceeds from the Offering less 50% of the Underwriters' fee payable on the closing date of the Offering will be held in escrow, pending closing of the Acquisition. If the Acquisition closes on or before December 15, 2016, the escrowed proceeds from the offering of Subscription Receipts will be released to the Bank and used by the Bank to pay a portion of the purchase price of the Acquisition. If the Acquisition fails to close by December 15, 2016, or the Acquisition is terminated at an earlier time, the gross proceeds and *pro rata* entitlement to interest earned on the escrowed proceeds thereon will be paid to holders of the Subscription Receipts.

The Subscription Receipts will commence trading on the Toronto Stock Exchange on July 20, 2016, under the symbol "LB.R".

The Subscription Receipts were offered for sale to the public in each of the provinces of Canada pursuant to a short form prospectus dated July 13, 2016, which was filed with Canadian securities regulatory authorities in all Canadian provinces. Investors should read the short form prospectus before making an investment decision. The description of the Subscription Receipts set forth above is qualified in its entirety by the subscription receipt agreement and the summary thereof contained in the short form prospectus.

The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act"), as amended, and may not be offered or sold in the United States, absent registration or an applicable exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities. The offering or sale of the securities shall not be made in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**About Laurentian Bank**



Laurentian Bank is a banking institution whose activities extend across Canada. The Bank serves one and a half million clients throughout the country and employs more than 3,600 people whose talent and dedication have made it a major player in numerous market segments. The Bank has more than \$41 billion in balance sheet assets and \$42 billion in assets under administration.

Laurentian Bank distinguishes itself through the excellence and simplicity of its services. The Bank caters to the needs of retail clients via its branch network. The Bank has also earned a solid reputation among small and medium-sized enterprises and real estate developers thanks to its specialized teams across Canada, namely in Ontario, Québec, Alberta, British Columbia and Nova Scotia. For their part, B2B Bank is a Canadian leader in providing banking and investment products and services to financial advisors and brokers, while the expertise and effectiveness of Laurentian Bank Securities' integrated brokerage services are known nationwide.

### **Caution Regarding Forward-looking Statements**

In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements include, but are not limited to, statements regarding the Bank's business plan and financial objectives. The forward-looking statements contained in this document are used to assist the Bank's security holders and financial analysts in obtaining a better understanding of the Bank's financial position and the results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes. Forward-looking statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although the Bank believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct.

Some of the specific forward-looking statements in this document include, but are not limited to, statements with respect to the expected timing and completion of the acquisition described herein. The Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors.

With respect to the proposed Acquisition, the Bank also cautions readers regarding: the conditions in the acquisition agreement not being satisfied and failure to receive regulatory approvals or other approvals. Furthermore, material factors could also include: changes in capital market conditions, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, changes in competition, modifications to credit ratings, scarcity of human resources, developments in the technological environment, the ability to realize the anticipated benefits from the purchase of an investment loan portfolio and the reaction of the seller's customers to the transaction, as well as, the ability to operate the Bank's transformation plan.

The Bank further cautions that the foregoing list of factors is not exhaustive. For more information on the risks, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Management's Discussion and Analysis under the title "Risk Appetite and Risk Management Framework" in the Bank's Annual Report, as well as to other public filings available at [www.sedar.com](http://www.sedar.com).



The Bank does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations.

SOURCE Laurentian Bank of Canada

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