



PRESENTATION BY FRANÇOIS DESJARDINS

PRESIDENT ET CHIEF EXECUTIVE OFFICER

LAURENTIAN BANK OF CANADA

ANNUAL MEETING OF SHAREHOLDERS

APRIL 10th, 2018

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APRIL 10th, 2018 — 9:30 A.M.
CENTRE MONT ROYAL, MONTRÉAL

In this document and in other documents filed with Canadian regulatory authorities or in other communications, we 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 our business plan and financial objectives including statements contained in our 2017 Annual Report under the headings "Outlook" and "Off-Balance Sheet Arrangements - Securitization Activities". The forward-looking statements contained in this document are used to assist readers in obtaining a better understanding of our 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 prospect, 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 we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurances that these expectations will prove to be correct. Certain important assumptions by us in making forward-looking statements include, but are not limited to: our ability to execute our transformation plan and strategy; the expectation of regulatory stability; the continued favourable economic conditions; our ability to maintain sufficient liquidity and capital resources; the absence of material unfavorable changes in competition, market conditions or in government monetary, fiscal and economic policies; the maintenance of credit ratings and our assumption that the in-depth review of the branch-underwritten mortgages described under the heading "Off-Balance Sheet Arrangements - Securitization Activities - Review of Mortgage Portfolios" of our 2017 Annual Report and in the Management Discussion and Analysis of the Bank for the period ended January 31, 2018, will reveal a level of ineligible loans with documentation issues in line with the level discovered through the limited sample audit. See also "How the Bank Will Measure its Performance - Key assumptions supporting the Bank's medium-term objectives" in our 2017 Annual Report.

We caution 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. Among other things, these factors 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, levels of branch-underwritten ineligible loans with documentation issues being in excess of levels identified during sample file audits or other related assumptions pertaining to the conduit requirements, scarcity of human resources, developments with respect to labour relations, as well as developments in the technological environment. Furthermore, these factors include the ability to execute our transformation plan and in particular the successful reorganization of retail branches, the modernization of the core banking system and the adoption of the Advanced Internal Ratings-Based Approach to credit risk (the AIRB Approach).

With respect to the anticipated benefits from the acquisition of Northpoint Commercial Finance ("NCF") and statements with regards to this transaction being accretive to earnings, such factors also include, but are not limited to: the ability to promptly and effectively integrate the businesses, reputational risks and the reaction of our and NCF's customers to the transaction; the failure to realize, in the timeframe anticipated or at all, the anticipated benefits and synergies of the acquisition of NCF; our limited experience in the U.S. market and in inventory financing; and diversion of management time on acquisition-related issues.

With respect to the anticipated benefits from the acquisition of CIT Canada and statements with regards to this transaction being accretive to earnings, such factors also include, but are not limited to: the ability to realize synergies in the anticipated time frame, the ability to promptly and effectively integrate the businesses, and diversion of management time on integration-related issues.

We further caution that the foregoing list of factors is not exhaustive. For more information on the risks, uncertainties and assumptions that would cause our actual results to differ from current expectations, please also refer to the "Risk Appetite and Risk Management Framework" on page 44 of our Management's Discussion and Analysis as contained in our 2017 Annual Report, as well as to other public filings available at www.sedar.com.

We do not undertake to update any forward-looking statements, whether oral or written, made by us or on our behalf, except to the extent required by securities regulations.

NON-GAAP MEASURES

Management uses both generally accepted accounting principles (GAAP) and certain non-GAAP measures to assess the Bank's performance. The Bank's non-GAAP measures presented throughout this document exclude the effect of certain amounts designated as adjusting items due to their nature or significance. These non-GAAP measures are considered useful to readers in obtaining a better understanding of how management analyzes the Bank's results and in assessing underlying business performance and related trends. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are unlikely to be comparable to any similar measures presented by other issuers.

Only the delivered speech shall be considered as authoritative.

Good morning.

Our organization was founded in 1846 - 172 years ago, at a time when customers came to our very first branch in the Port of Montreal on horseback. Since that day, we never stopped evolving and we continue to do so today. Everyone can see, in their daily interactions, that there is an important evolution in the financial industry.

As buzzwords such as crypto currency, fintech and cyber make their way into mainstream media, the reality is, the future will not be kind to organizations who do not change to match the needs of its future customers. I am very proud to say that Laurentian Bank Financial Group has the courage to evolve and to make the right moves to be successful in these transforming times.

We just completed year two of our plan. This plan will bring us closer to our goal of becoming a pan-Canadian digital bank and serving the changing needs of our customers. We have strong roots, but we need to adapt to today's world by simplifying our organization and by truly offering value added services: combining the value of human advice, the ease of doing business and the convenience of digital banking.

Technology has evolved and changed our lives over the decades. But even more remarkable is how consumers have adapted. Indeed, the financial industry also must evolve and keep up with the way customers want to do their banking.

Our transformation is not superficial. We are redesigning our organization from the ground up, looking at ourselves with a critical eye, questioning the status quo, challenging beliefs that are decades old. It is an absolute necessity to not only stay in the game, but to win.

For the first time in a long time, our organisation's story is gaining interest from all stakeholders. Customers want to prosper with a modern organization that is at their service; team members want to work at a place that they can be proud of and where they can be part of this change, and investors perceive future value, support the direction, and are eager and curious to see what we are going to become.

In the last two years, many have focussed on growth and performance as core elements of our plan. These certainly garner true outcomes, but it is important to remember that our first and most important strategic objective is to rebuild our service offering on a strong foundation.

Foundation

Our size should make us more nimble than what we are today, but like many other financial institutions, the willingness to please anyone and everyone has, over time, made our organization too complicated. Instead of improving the customer experience, hundreds of products and distribution channels became a costly distraction. Redefining simplicity is therefore at the heart of our transformation.

2018 and 2019 will be years of investment in talent, performance culture, processes and technologies. Undertaking the transformation from a traditional bank to a digital bank requires us to build on very strong foundations. It is the highest of our priorities. A strong foundation means having a clear, focused strategy; a clear brand and go-to customer messaging; simple and relevant product lines; economical and standardized distribution; robust and up to date technologies; documented practices, continuous training for team members; and, of course, established procedures, good corporate governance and appropriate oversight.

The first phase of our initiative to replace our core banking system – the backbone of our digital offer – is progressing very well. We now have a new core banking system in operation since the first quarter of 2018 and we have started migrating products beginning with B2B Bank investment loans. Successive migrations of B2B Bank and those of Business Services will take place in the coming months. As for the Retail Services products, the migration will take place at the end of 2019. This new system is going to allow us to move forward with automating our processes, improving the value of our products and services and changing the way we do business by becoming a fully digital bank.

What's more, before the end of 2018, B2B Bank will launch a complete digital banking offer to independent brokers and advisors across Canada.

Implementing a new core banking system is quite a feat and we are extremely proud of this undertaking.

While we are building for the future, we must also continue to serve our customers' needs today, which is why we recently joined THE EXCHANGE Network which gives the Group's customers

access to 3,600 full service ATMs across Canada. It's a sizable increase in accessibility and convenience for our customers.

In the longer term, we will continue the development towards migration to the AIRB approach which will allow us to manage our Risk Weighted Assets more efficiently, resulting in better risk and capital management.

We would not be able to do anything without a solid team and a performance culture. Among other things, we launched a global recognition program celebrating our awesome team members and their accomplishments. Encouraging personal and professional growth is resulting in higher engagement and support of our transformation. I am extremely proud of our teams.

Growth

In terms of growth, 2017 was a year of accomplishments. We saw both strong organic growth and growth through acquisition and we finished the year ahead of plan in three out of four of our growth targets. Our book of loans and deposits remains strong.

At the end of fiscal 2017, we reset our medium-term objectives from 2019 to 2020, but our 2022 targets remain intact. This decision is in consideration of the various investments we must make this year as well as the current economic environment, market disruptions and new regulatory requirements.

In 2017, we proceeded with a key strategic acquisition: Northpoint Commercial Finance, a leading North-American inventory finance lender. This acquisition made sense for several reasons. It demonstrates our commitment to supporting our business customers; it expands our customer base to create new cross-selling opportunities; and it strengthens our position as a major player in the equipment financing sector.

Moving forward, we will continue to concentrate on targeted niche markets as the Group transforms. We will continue to review our activities and determine areas and portfolios that we will grow or maintain, as well as areas we need to fix or exit. This means that we could make decisions on non-strategic portfolios so that we can focus more on niches where we can win. As a result, our net loan growth could be lower in 2018 and should resume in 2019 and 2020.

With the launch of a digital banking offer at B2B Bank, we aim to gain pan-Canadian customers who are looking for digital solutions for their transactional needs and deposits. Being able to count on the strength of the more than 20,000 independent financial advisors and mortgage brokers that already do business with us, adding fully-digital products enhances their ability to grow their business, and makes us a key and reliable product provider.

Performance

In terms of performance, we made good progress in 2017 on all of our indicators and realized efficiencies through several key initiatives, notably by the reduction of the number of our branches and the simplification of our product suite.

Our main measurement of success remains a sustainable reduction of the gap between our return on equity (ROE) and the average ROE of the major Canadian banks.

In 2018, we will pursue our efforts to improve our performance through efficiencies by:

- Completing the integration of Northpoint into LBC Capital
- Transitioning our retail branches to advice-only centres
- And, unifying teams from various Montreal-based corporate offices in a centralized and dynamic location.

But, the investments we've already made and will continue making – investments that will allow us to shore up our foundations, will put pressure on short-term performance. However, in the long term, these investments are those that will allow us to meet growth and performance targets in a disciplined and sustainable fashion.

Conclusion

In conclusion, we're living in a time when the financial industry is in the spotlight and the bar has been raised in terms of compliance and governance. That is a good thing, and something we fully support.

2017 was good year of performance and we have accomplished much.

2018 and 2019 will be years where investments will be made to continue building the future of our organization. We must not forget that the efforts and investments we're making today are so

that we can succeed in building a better and different kind of financial institution for our customers, our team members and our shareholders. The loyalty, support and confidence we receive from you are what inspire us to continue our journey, so a big thank you.

I would also like to thank our Board of Directors and chair, Isabelle Courville for your continued guidance and support. I would also like to introduce my executive team: Susan Kudzman, François Laurin, Deborah Rose, Stéphane Therrien, and Michel Trudeau, thank you for your dedication in making our transformation a success and for the leadership you show each and every day.

I would be remiss if I did not acknowledge Michel Trudeau. Michel will be taking his well-earned retirement at the end of April. For the past 15 years, Michel has been at the helm of our Capital Markets segment. Michel, thank you for your contribution to our organization and for our friendship over the years. Michel will be remaining with the organization in a new role so, Michel – I sincerely wish you the best as you continue on as Vice-Chair of the Board of Directors of Laurentian Bank Securities.

I'd like to conclude by simply stating that I am proud of what we are doing; what we are accomplishing: in fact, we are building the bank of tomorrow. I know that our awesome teams share in this and, together, we are proud to be your Laurentian Bank Financial Group.