

2019 ACHIEVEMENTS

Strategic

Renewed labour relations environment so we can focus on growth and profitability

- Improves ability to serve customers
- Allows process efficiencies
- Emphasizes individual performance
- Allows consolidation of corporate functions

Financial

While 2019 profitability was below what we aim for, we achieved:

- Loans to business customers up 9%*
- Net interest margin up 3 bps
- Strong credit: low loan loss ratio at 13 bps
- Solid CET1 ratio: 9.0%

*Loans to business customers increased 9% adjusting for the loan sale of \$105 million in 2019 and 8% excluding this adjustment.

Foundational

Great progress made towards executing our strategic plan

- Implemented a new core banking system
- Converted branches to 100% Advice Financial Clinics
- Launched fully digital offerings for Canadians

MAIN OPERATING ENTITIES

Laurentian Bank – relies on the expertise of its specialized teams to offer solutions to its commercial clients across Canada. The Bank also meets the needs of its retail clients in Quebec through its advisors

LBC Capital – provides equipment financing solutions for suppliers and businesses across Canada

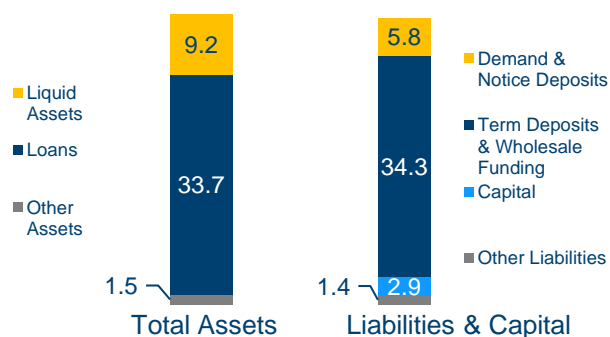
Northpoint Commercial Finance (NCF) – diversified inventory finance company that serves North American manufacturers and their dealer networks

B2B Bank – provides banking products and services and investment accounts through independent brokers and advisors across Canada

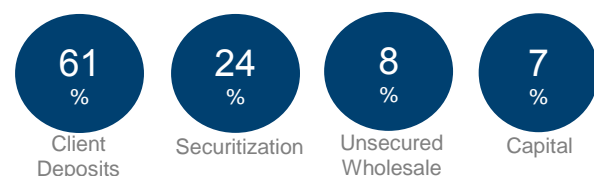
LBC Financial Services – distributes mutual funds and offers financial planning services to clients in Quebec

Laurentian Bank Securities – offers integrated brokerage services to a clientele of institutional and retail investors

BALANCE SHEET \$44.4B as at October 31, 2019

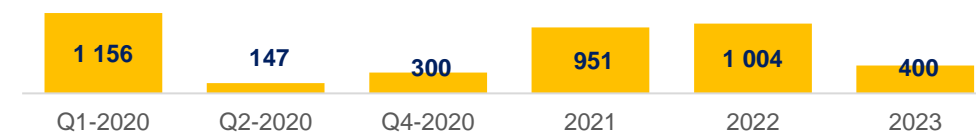


TOTAL FUNDING \$37.5B excl. trading & other liabilities



UNSECURED WHOLESALE FUNDING MATURITIES

(in \$ millions)



REGULATORY CAPITAL

	CET1 Capital Ratio	Tier 1 Capital Ratio	Total Capital Ratio	Basel III Leverage Ratio
As at October 31, 2019	9.0%	10.2%	12.2%	4.6%
Regulatory Minimum	7.0%	8.5%	10.5%	3.0%

CREDIT RATINGS

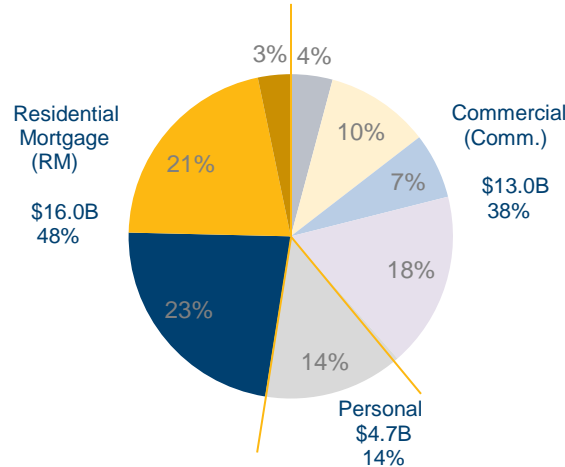
	Deposits, Senior Debt	Short-term Instruments	NVCC Sub. Debt	NVCC Pref. Share	Rating Outlook
S&P	BBB	A-2	BB+	BB-	Negative
DBRS	A (low)	R-1 (low)	BBB (low)	Pfd-3	Stable

LOAN PORTFOLIO \$33.7B as at October 31, 2019

98% Collateralized | **No single industry exposure >12%** | **No Subprime Mortgages**

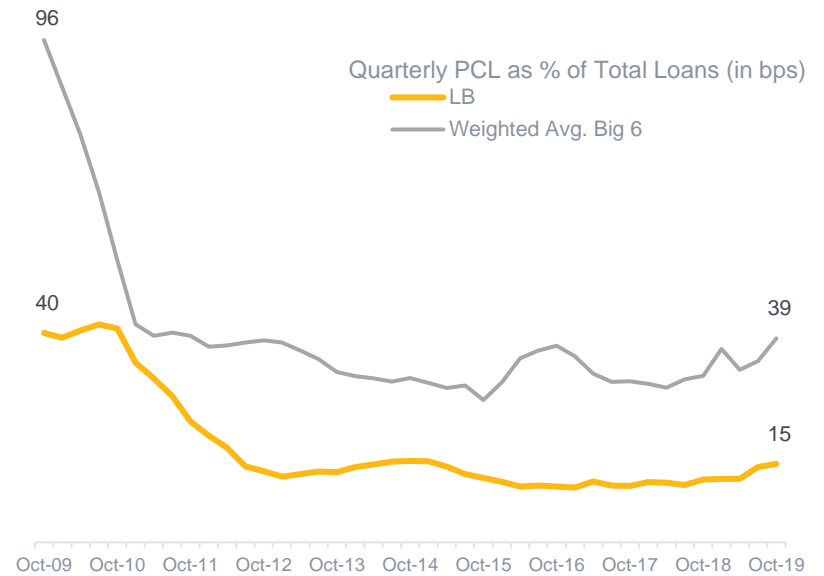
DIVERSIFIED ACROSS SECTORS

- Comm. - equipment financing (\$1.4B)
- Comm. - commercial (\$3.5B)
- Comm. - inventory financing (\$2.2B)
- Comm. - real estate (\$5.9B)
- Personal Loans (\$4.7B)
- RM - insured (\$7.7B)
- RM - uninsured prime (\$7.2B)
- RM - uninsured Alt-A (\$1.1B)



PCL RATIO OUTPERFORMED THE BIG 6 BANKS

(data source: Bloomberg)



Uninsured RM in selected regions

	Prime - GMA	Prime - GTA	Prime - GVA	Alt-A CANADA
Loan balance, % of total loans	\$2.5B	\$1.6B	\$0.2B	\$1.1B
Average current LTV (%)	53%	48%	51%	46%
Average Beacon Score	751	688	693	669

LOW EARNINGS VOLATILITY IN LINE WITH THE BIG 6 BANKS

Quarterly earnings since 2008 (data source: Bloomberg)

Earnings Volatility = Standard Deviation of quarterly reported net income / its Mean

Quarterly Earnings Volatility Since 2008
LBC vs TSX listed peers

