



# News Release

## **For Immediate Release**

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## **Element Closes \$2.78 Billion Offering of Subscription Receipts, Debentures and Series G Preferred Shares**

**Toronto, Canada – May 29, 2015** – Element Financial Corporation (TSX:EFN) ("Element" or the "Company"), one of North America's leading fleet management and equipment finance companies, announced today that it has closed its previously announced prospectus offering (the "Offering") of subscription receipts ("Subscription Receipts"), 4.25% extendible convertible unsecured subordinated debentures ("Debentures") and 6.50% cumulative 5-Year rate reset preferred shares, Series G ("Series G Shares"). The Offering raised gross proceeds of \$2.78 billion and the Company intends to use the net proceeds of \$2.72 billion from the Offering to fund future acquisitions.

Element issued, on a bought deal basis: (i) 119,735,000 Subscription Receipts at a price of \$17.00 per Subscription Receipt for gross proceeds of approximately \$2.04 billion; (ii) \$575,000,000 aggregate principal amount of Debentures; and (iii) 6,900,000 Series G Shares at a price of \$25.00 per share for gross proceeds of \$172,500,000. The Offering included the exercise in full by the underwriters of their respective over-allotment options to purchase: (i) an additional 10,885,000 Subscription Receipts, (ii) an additional \$75.0 million aggregate principal amount of Debentures and (iii) an additional 900,000 Series G Shares, each on the same terms as the initial offering, resulting in additional gross proceeds of \$282.5 million.

The offering of the Subscription Receipts was conducted by a syndicate of underwriters co-led by BMO Capital Markets, Barclays Capital Canada Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc. and TD Securities Inc. and including Credit Suisse Securities (Canada) Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd., Manulife Securities Incorporated, Cormark Securities Inc. and Desjardins Securities Inc. The offering of the Debentures was conducted by a syndicate of underwriters led by BMO Capital Markets and including Barclays Capital Canada Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., TD Securities Inc., Credit Suisse Securities (Canada) Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd., Cormark Securities Inc., Desjardins Securities Inc. and Manulife Securities Incorporated. The offering of Series G Shares was conducted by a syndicate of underwriters co-led by BMO Capital Markets, CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc. and TD Securities Inc. and including GMP Securities L.P., Cormark Securities Inc., Desjardins Securities Inc., Macquarie Capital Markets Canada Ltd. and Manulife Securities Incorporated.

Further details concerning the Subscription Receipts, the Debentures, the Series G Shares and the Company's anticipated use of funds in respect of the Offering are set out in Element's prospectus supplement dated May 22, 2015, available on SEDAR at [www.sedar.com](http://www.sedar.com).

The Subscription Receipts, the Debentures and the Series G Shares will commence trading today on the Toronto Stock Exchange under the symbols "EFN.N", "EFN.DB.A" and "EFN.PR.G.", respectively.

### **About Element Financial Corporation**

With total assets of approximately \$15 billion, Element Financial Corporation is one of North America's leading fleet management and equipment finance companies. Element operates across North America in four verticals of the equipment finance market - Commercial & Vendor Finance, Aviation Finance, Railcar Finance and Fleet Management.

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***Forward Looking Statements***

***This release includes forward-looking statements regarding Element and its business. Such statements are based on the current expectations and views of future events of Element's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Forward-looking statements in this release include those related to potential acquisition opportunities for Element and Element's ability to successfully complete any potential acquisition opportunity on an expected timeframe or at all. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Element, including risks regarding the fleet management and equipment finance industry, no acquisition which would be acceptable to Element may become available within six months of the closing of the Offering, economic factors and many other factors beyond the control of Element. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.***