



News Release

Amounts in CAD unless otherwise noted

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Element to Redeem Series G Preferred Shares, Further Maturing Capital Structure

- *The Company will redeem Series G shares in full on September 30, 2020, further maturing its capital structure by eliminating its most expensive preferred series*
- *The redemption is enabled by the Company's strategic plan to deliver a consistent, superior client experience by improving operating performance and profitability, which has materially enhanced free cash flow over the last two years*
- *With the redemption, the Company will have cumulatively eliminated or replaced over \$1 billion of high-cost hybrid instruments from its capital structure in the last 18 months, simplifying and strengthening its investment-grade balance sheet*

TORONTO, ON, August 24, 2020 - Element Fleet Management Corp. (TSX: EFN) ("Element" or the "Company"), the largest pure-play commercial vehicle fleet manager in the world, today announced its intention to redeem – in accordance with the terms of the Cumulative 5-Year Rate Reset Preferred Shares, Series G (the "Series G Shares") as set out in the Company's articles – all of its 6,900,000 issued and outstanding Series G Shares on September 30, 2020 (the "Redemption Date") for a redemption price equal to \$25.00 per Series G Share, together with all accrued and unpaid dividends up to but excluding the Redemption Date (the "Redemption Price"), less any tax required to be deducted and withheld by the Company.

"The ongoing success of our strategic plan to transform Element's business by delivering a consistent, superior client experience and improving profitability enables us to take advantage of this opportunity to further mature our capital structure by eliminating the most expensive series of our preferred shares," said Jay Forbes, President and Chief Executive Officer of Element. "This redemption advances our strategic priority of simplifying and strengthening Element's investment-grade balance sheet."

With this redemption, the Company will have cumulatively eliminated or replaced over \$1 billion of high-cost hybrid instruments from its capital structure in the last 18 months.

The Company remains on track to achieve sub-6.0x tangible leverage by the end of this year.

"We expect that achieving our tangible leverage target – combined with Element's focus on organic profitable revenue growth – will result in our business generating excess free cash flow in the near future," Mr. Forbes added. "We are evaluating the timing and scope of further potential capital allocation measures and look forward to sharing our Board's capital allocation strategy along with our Q3 2020 results at the end of October."

As previously announced, the Company's Board of Directors has declared a dividend of \$0.406250 per Series G Share for the third quarter of 2020 payable on the Redemption Date to holders of record as of the close of business on September 14, 2020. This will be the final quarterly dividend on the Series G Shares, although holders will receive on redemption of the Series G Shares all accrued and unpaid dividends up to but excluding the Redemption Date.

The Company has provided notice today of the Redemption Price and the Redemption Date to the sole registered holder of the Series G Shares in accordance with the terms of the Series G Shares as set out in the Company's articles. Non-registered holders of Series G Shares should contact their broker or other intermediary for information regarding the redemption process for the Series G Shares in which they hold a beneficial interest. The Company's transfer agent for the Series G Shares is Computershare Investor Services Inc. Questions regarding the redemption process may be directed to Computershare Investor Services Inc. at 1-800-564-6253 or by email to corporateactions@computershare.com.

About Element Fleet Management

Element Fleet Management (TSX: EFN) is a leading global fleet management company, providing world-class services and financing for commercial vehicle fleets. The Company enjoys scale and leadership in key markets, a top-tier client base, strong cash flow and ready access to capital, and an investment-grade balance sheet. Element's suite of services spans the total fleet lifecycle - from acquisition and financing to program management and remarketing - helping clients optimize performance and improve productivity. For more information, visit www.elementfleet.com.

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Forward-Looking Statements

This press 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, including, among others, statements regarding the redemption of the Series G Shares, the payment of dividends, Element's ability to execute on its client-centric transformation plan and business strategy, including improvements to run-rate profitability, enhancements to clients' service experience and service levels, enhancement of financial performance, improvements to client retention trends, reduction of operating expenses, increases in efficiency, plans to sell its interests in non-core assets, terms of the dividend reinvestment plan, transformation of its core business, creation of value for all stakeholders, expectations regarding syndication, growth prospects, level of workforce engagement, improvements to magnitude and quality of earnings, funding of the transformation, executive hiring and retention, process and infrastructure transformation, focus and discipline in investing, balance sheet

management and plans to reduce leverage ratios, anticipated benefits of the balanced scorecard initiative and expectations regarding financial performance. 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. Such risks and uncertainties include those regarding the ongoing COVID-19 pandemic, risks regarding the fleet management and finance industries, economic factors, risks related to the payment of dividends, risks related to business integration and many other factors beyond the control of Element. A discussion of the material risks and assumptions associated with this outlook can be found in Element's annual MD&A and Annual Information Form for the year ended December 31, 2019 and Element's interim MD&A for the three- and six-month periods ended June 30, 2020, each of which has been filed on SEDAR and can be accessed at www.sedar.com. 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.