



Investor Presentation

Element Fleet Management

NOVEMBER 2016



Certain information in this presentation is forward-looking and related to anticipated financial performance, events and strategies. When used in this context, words such as “will”, “anticipate”, “believe”, “plan”, “intend”, “target” and “expect” or similar words suggest future outcomes. Forward-looking statements relate to, among other things, the objectives, vision and strategies of Element Fleet Management Corp. (“Element”); the future financial reporting of Element; future cash flows, financial condition, operating performance, financial ratios, projected asset base and capital expenditures; Element’s anticipated dividend policy and plans for return of capital; Element’s ability to deliver benefits from consolidation; anticipated cash needs, capital requirements and need for and cost of additional financing; future assets; demand for services; Element’s competitive position; and anticipated trends and challenges in Element’s business and the markets in which it operates; those related to the integration and financial impact of the acquisition of various fleet management businesses; the implementation of Xcelerate and other systems integrations; and Element’s R&D investment plans and product offerings.

The forward-looking information and statements contained in this presentation reflect several material factors, expectations and assumptions of Element including, without limitation: that Element will conduct its operations in a manner consistent with its expectations and, where applicable, consistent with past practice; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax and regulatory regimes; certain cost assumptions; the continued availability of adequate debt and/or equity financing and cash flow to fund its capital and operating requirements as needed; and the extent of its liabilities. Element believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

By their nature, such forward-looking information and statements are subject to significant risks and uncertainties, which could cause the actual results and experience to be materially different than the anticipated results. Such risks and uncertainties include, but are not limited to, operating performance, regulatory and government decisions, competitive pressures and the ability to retain major customers, rapid technological changes, availability and cost of financing, availability of labour and management resources, the performance of partners, contractors and suppliers, and the execution of integration initiatives. Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Except as required by law, Element disclaims any intention and assumes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Throughout this presentation, management uses a number of terms and ratios which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. A full description of these measures can be found in Element’s Management Discussion & Analysis that accompanies the financial statements for the quarter ended September 30, 2016, which have been filed on SEDAR (www.sedar.com). Element believes that certain Non-IFRS Measures can be useful to investors because they provide a means by which investors can evaluate Element’s underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business of a given period.

Element is the global fleet leader revolutionizing the fleet management industry to make our customers' fleets, and their drivers, safer, smarter and more productive

Why Element Fleet

- Fleet management services is a multi billion dollar industry that is in the early stages of technology innovation
- Element is the largest fleet management company in North America and largest publicly traded fleet management company in the world – operates in 48 countries
- Element Fleet has a highly experienced leadership and operations teams
- Element Fleet has deep and long-term customer relationships that provide annuity-like revenue streams – embedded value
- Investment-grade credit ratings reflect the high quality of Element Fleet's assets (A-, BBB+)
- Stable ABS funding programs have been proven through business cycles (since 2003, have raised \$11 billion in term funding)
- Prudent balance sheet leverage combined with amount of and growth in Service and Fee Revenue drive 22%+ ROTE
- Free cash flow is sufficient to fund future growth and return of capital to shareholders
- Attractive valuation relative to industry peers
- Valuation catalyst as Element Fleet is recognized as a technology driven business services company

Element Fleet Management

Category Leader

- Industry leader in fleet financing and innovation of value-added services
- #1 fleet management company in North America
- Scalable platform providing innovative, end-to-end services and leading technology
- 3,855 fleets and 1.3 million units under management in North America
- Access to multi-national corporations through global partners across 45 countries

Seasoned Experts

- Strong North American management team with an average of 15 years of Element Fleet Management experience and 17 years in the industry
- Average employee tenure of 10+ years
- 10 offices across North America, plus field-based sales and support teams

Quality Client Base

- Diversified, high-quality, long-tenured base of commercial customers
- Target fleets: > 100 units
- High levels of renewal and satisfaction yield long-term relationships

Solid Track Record

- Profitable business with high margin services contribution of ~50% Lease: 50% Services, with recurring revenue streams from both clients and suppliers
- Track record of double-digit ROE with negligible credit losses, favorable tax dynamics, and highly efficient funding sources
- Growth through cross-selling opportunities and client additions

High levels of satisfaction yield long-term customer relationships

20-30 years

288 clients

30-40 years

74 clients

40-50 years

22 clients

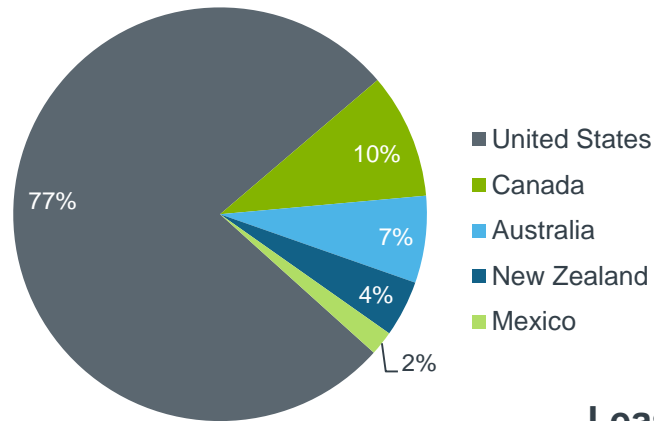
50+ years

150 clients

Element Fleet Management

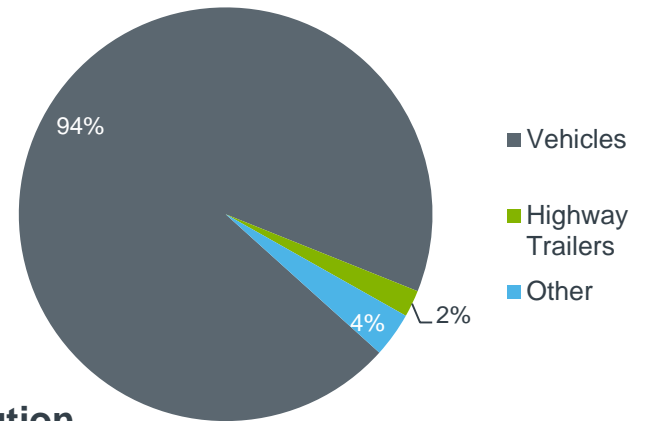
Geographic Distribution

as at September 30, 2016



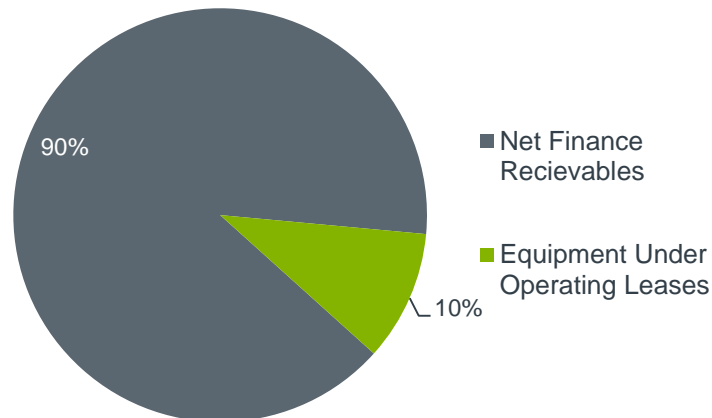
Asset Class Distribution

as at September 30, 2016

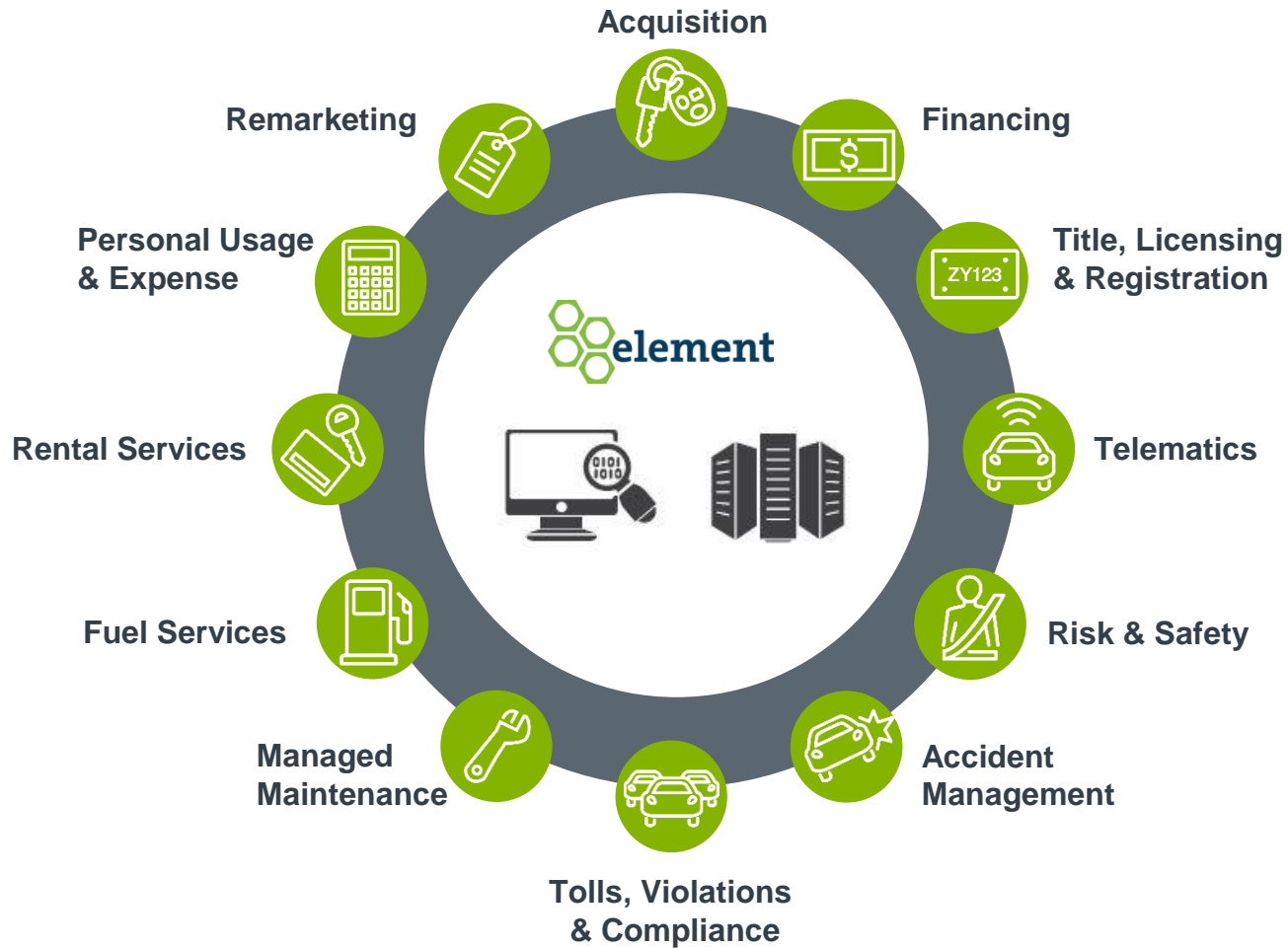


Lease Type Distribution

as at September 30, 2016



Fleet Customer Value Drivers



Value to Customers Over Asset Lifetime

Our strategy is to drive growth by delivering end-to-end solutions that maximize the productivity of their employees and assets at the lowest possible cost

Improve productivity

- Maintenance and accident repairs
- Rental cars
- Safety training and collision prevention
- Telematics
- Mobile apps for drivers and clients

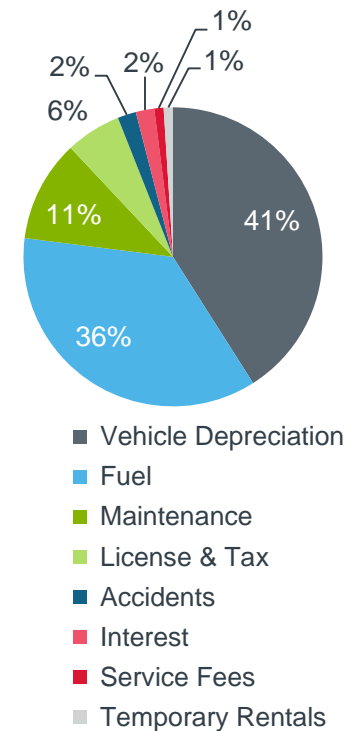
Minimize vehicle costs

- Specification and purchase
- Financing
- Fuel, Maintenance and repair
- Regulatory compliance
- Remarketing

Fee revenue is earned for ancillary services through both recurring monthly charges and transactional activity

- Fleet vehicles are critical expenditures for clients that support sales reps, service technicians and other field-based service functions
- Our clients have significant fleet needs beyond base lease product that are more efficiently and effectively managed by Element, including: fuel, maintenance, accidents and temporary rental car needs, titling, tax, licensing and driver support activities

Typical Composition of Fleet Expenses



Source: Consolidated Fleet management portfolio at December 31, 2014

The Element-Arval Alliance

Delivering Global Capabilities across 48+ countries



Strategy

- Focus on fleet management services for current and future customers
- Use size, scale and expertise to lead the transformation of the industry through the integration and management of data

Strategic Focus	Timeframe	Impact	Status
Achieve size and scale	Q4/16	Sustainable competitive advantage	Completed
Deliver integration benefits and synergies	Q4/16 to Q1/17	US\$100 million cost savings in 2016	Ahead of Plan
Invest in technology and mobile offerings	Q4/16	US\$70 million invested	Ahead of Plan Xcelerate launched
Add to the suite of value added services	Ongoing	Increases Service and Fee Income	On Plan
Penetrate insourced fleets	Ongoing	Provides growth	Ongoing
Act on accretive M&A opportunities	Ongoing	Increases Service and Fee Revenue	Ongoing

Year-to-Date Performance

Transformation

- Completed split to separate fleet management company
- More than doubled in size – NEA's +120%
- Increased Service and Fee Revenue by 163% to \$388.5 million from \$147.6 million
- Improved returns
- New bank lines, improved ABS
- Ratings increased (BBB+/A-)
- Retained and re-energized customers
- Added services depth with new system and mobile offerings

Yields to Average Earning Assets	YTD 2015	YTD 2016
Average Earning Assets (\$billions)		
	\$6.4	\$14.1
Interest Income and Rental Revenue, net		
	5.35%	5.50%
Fees and Other Revenues		
	3.08%	3.67%
Provision for (Recovery of) Credit Losses		
	(0.02)%	(0.04)%
Net Financial Income		
	6.51%	6.78%
Adjusted Operating Expenses		
	3.06%	2.95%
Adjusted Operating Income		
	3.45%	3.83%

Element Fleet Management

Review of Outlook for 2016

- Current outlook for 2016 reflects:
 - Actual balance sheet, leverage and capital structure (post split)
 - Wider ABS spreads incurred
 - Unutilized capacity in ABS structures
 - No acceptable M&A opportunities that met criteria YTD
 - YTD EPS⁽¹⁾ of \$0.76 and Q3 EPS⁽¹⁾ of \$0.25
- 2016 EPS⁽¹⁾ outlook is \$1.00 to \$1.01
- ROAA will exceed 4% in 2017

⁽¹⁾ After-tax Adjusted Operating Income per share (basic)

Element Fleet Management

Medium Term Financial Objectives

Key Growth Drivers

- Gains in market share through technology advances and scale advantages
- Deeper penetration of service offerings to existing clients
- Expansion of service offerings through technology
- Secure self-funded and self-managed fleets with value-added services
- Acquisitions and scaling of proven service businesses
- Optimize balance sheet, cost of capital and leverage

	Target
Organic EPS ⁽¹⁾ Growth	8 -10%
ROAA	4%+
Tangible Leverage	~ 7.5x
ROTE	22%+

Tuck-in acquisitions to add incremental 2% to 3% EPS growth

⁽¹⁾ After-tax Adjusted Operating Income per share (basic)

Element Fleet Management

Prudent Manager of Capital

- Credit ratings upgraded to A-/BBB+
- Excess capital capacity available to execute plan
- Leverage of 7.7:1 post split
- Generates significant surplus cash and capital in excess of that required to fund growth in Net Earning Assets
- Affirmed the current dividend of \$0.10 per common share (annually)
- Return of capital options, including dividend increase to be a 2016 year-end decision – as part of the Board of Directors 2017 planning process



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