



Q1-2017 Review & Financial Results

Element Fleet Management





Agenda

- Creating Long-Term Shareholder Value
- Operations Update
- Review of Financial Results
- Questions

A nighttime cityscape viewed from the driver's perspective inside a car. The car's side mirror and window frame are visible in the foreground. The city lights are reflected in the water of a river or bay in the distance.

Bradley Nullmeyer CEO

Creating Long -Term Shareholder Value

Long-Term Shareholder Value Creation

Delivering For The Future

- Delivered \$0.24 EPS during the quarter
- Completed \$150M Preferred Share offering on May 5th
- Delivered dividends to common shareholders of **\$0.30** per share annually
- Continued investment in technology and data analytics that will serve to accelerate the transition to higher margin service offerings and products
- Confirmed Element as a leading fleet-focused business services provider
- Strong focus on subscription based, Software as a Service (“SaaS”) like revenue models
- Concentration on delivering post integration efficiencies and utilization of platform

Prudent manager of capital, focused on balancing investment in growth, both organic and inorganic, and return of capital to shareholders

Long-Term Shareholder Value Creation

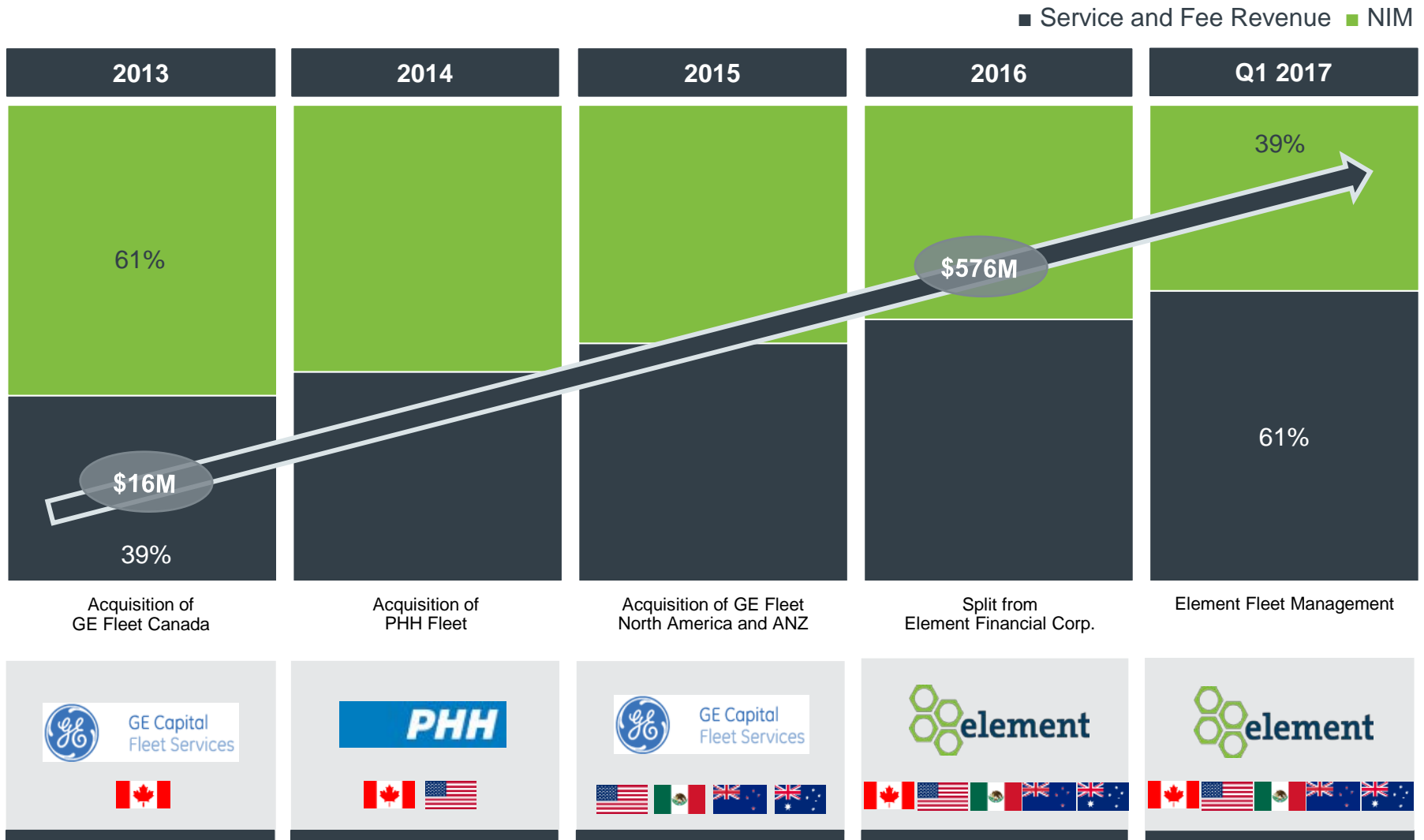
Element Fleet Management (TSX:EFN)

Element Fleet is the largest publicly traded fleet management company in the world, with market leadership in North America and an industry leading position in Australia and New Zealand. We are a leading business services provider, driven by technology and analytics and benefiting from a large-scale integrated services platform.

Element Fleet Advantages

- Superior ability to capture opportunities fleet management industry that is still in the early stages of technology innovation and experiencing rapid growth
- Highly experienced leadership and operations teams
- Deep and long-term customer relationships, spanning over two to five decades and longer, providing annuity-like revenue streams – both in service and fee income and NIM
- High quality of assets reflected in investment-grade credit ratings (A-, BBB+) to support finance service option
- Prudent balance sheet leverage drive 22%+ ROTE
- Free cash flow sufficient to fund future growth and return of capital to shareholders

Long-Term Shareholder Value Creation



Long-Term Shareholder Value Creation

Global Capabilities: 3+ Million Vehicles



Canada
USA
Mexico



Austria
Belgium
Brazil
Chile
China
Czech Republic
Denmark
Finland
France
Germany
Greece
Hungary
India
Italy
Luxembourg
Morocco
Netherlands
Peru
Poland
Portugal
Romania
Russia
Slovakia
Spain
Sweden
Switzerland
Turkey
United Kingdom

Sumitomo Mitsui Auto Services
Japan
Thailand



Colombia
Ecuador



Ireland



Botswana
Ghana
Lesotho
Mozambique
Namibia
South Africa
Swaziland
Tanzania
Zambia



Australia
New Zealand

Element-Arval
Partner Countries




Argentina
Uruguay



Serbia



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Daniel Jauernig
President and COO

Operations Update

19th Capital Overview

- As part of the separation, Element Fleet retained the former fleet like assets of Element Financial's C&V division
- Strategy is to increase the penetration of our fleet service offerings to this heavy duty truck portfolio
- In late Q4/2016, Element formed a heavy duty truck fleet leasing JV with Celadon, with both parties contributing truck leasing portfolios to the JV
- Total assets of the JV are \$1.5B, Element and Celadon each own 49.99% of the JV, creating a large scale heavy duty truck fleet leasing business
- Incurred a non-cash \$10.2M start up loss from our share of the JV in the quarter
- Focused on improving the JV's operations through increased usage rate of equipment, reducing start up losses throughout 2017 and gaining profitability in 2018

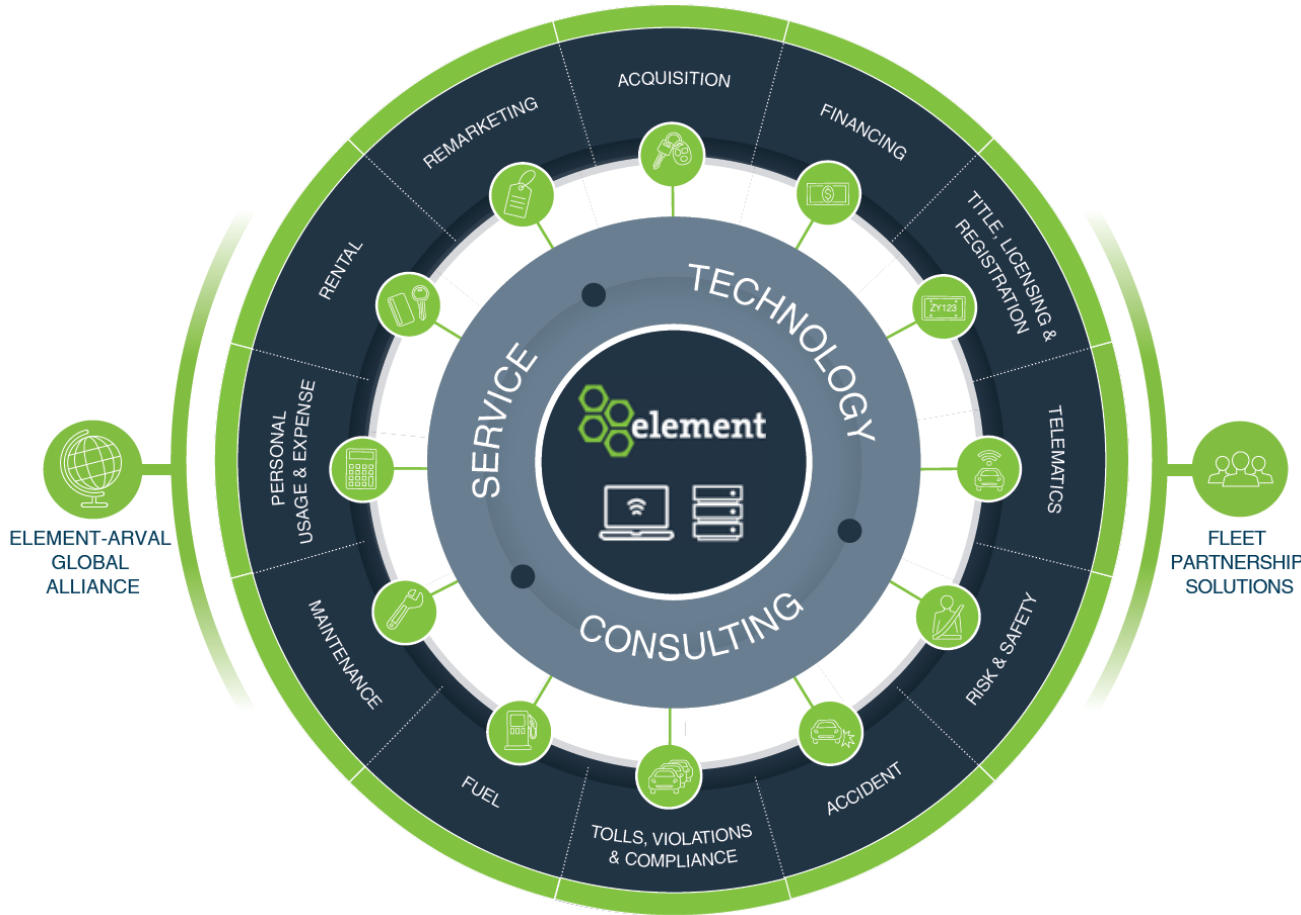
North American Post Integration Update

- In January, we successfully migrated all of GE Fleet's U.S. and Canadian customers and portfolio onto Element's fleet management system ("FMS"); all customers are now live on Xcelerate and Driver Xcelerate
- All GE Capital transitional services agreements have been terminated and all former GE Fleet customers have been operating on Element's FMS through three billing cycles
- We are now in the post integration phase of our overall integration project, focused on improving operational performance and gaining efficiency
- Have experienced some backlogs (such as interim funding) as former GE Fleet customers, suppliers and employees become familiar with Element's FMS
- Continue to provide ongoing training and support to reduce backlogs and return to historical performance levels
- Pivoting to optimizing our processes and systems to drive incremental productivity gains in the business

Business Update

- Total earning assets (including interim funding), on a currency neutral basis, grew by 2.3% in the quarter over Q4/2016
- Originations in Q1/2017 was \$1.7B, up slightly from \$1.6B in Q1/2016
- Building a solid pipeline of customer vehicle orders for delivery in 2017
- New prospect list is growing, executing on just a few of the larger prospects could generate significant incremental volume in 2018
- Improving trends on increasing vehicles orders in the quarter on our core Fleet service products
- Increasing interest in, and adoption of telematics and data analytics

Full Suite of Integrated Service Offerings



- Build our customer base
- Increase product usage and data analytics
- Grow reoccurring subscription based, SaaS like, revenue

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Samir Zabaneh

CFO

Review of Financial Results

Earnings Per Share

Earnings per share	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Basic	\$0.17	\$0.17	\$0.07	\$(0.01)	\$0.11
Fully diluted	\$0.17	\$0.17	\$0.07	\$(0.01)	\$0.11
Adjusted basic	\$0.26	\$0.25	\$0.25	\$0.24	\$0.24
Adjusted fully diluted	\$0.26	\$0.24	\$0.24	\$0.22	\$0.22
Number of shares – basic	386,135	386,282	386,742	386,930	387,711
Number of shares – Fully diluted	390,553	390,632	390,575	386,930	392,359
Number of shares – Proforma diluted	433,788	433,386	435,689	446,233	445,834
Basic To Adjusted:					
Impact of non-cash losses on 19 th Capital ⁽¹⁾					\$0.02
Impact of integration and separation cost ⁽¹⁾					\$0.06
Impact of amortization of intangibles ⁽¹⁾					\$0.02
Impact of share based compensation ⁽¹⁾					\$0.02
Impact of amortization of convertible debt discount ⁽¹⁾					\$0.01

(1) Calculated based on basic shares outstanding

Total Net Revenue

	Q1 2016	Q4 2016	Q1 2017
Service and other revenue	\$150,120	\$140,229	\$143,256
Net interest and rental revenue	\$119,679	\$93,317	\$90,896
Total net revenue	\$269,799	\$233,546	\$234,152

Net Interest and Rental Revenue

Yields to Average Earning Assets	Q1 2016	Q4 2016	Q1 2017
Net interest income and rental revenue	\$203,872	\$184,006	\$179,984
Interest expense	\$84,194	\$90,689	\$89,088
Net interest and rental revenue	\$119,679	\$93,317	\$90,896
Average earning assets	\$14,393,176	\$14,056,388	\$13,479,102
Net interest and rental revenue margin	2.70%	2.66%	2.70%

Revenue Mix

Continued Growth in Service Revenue

% of Net Revenue	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Total service & other revenue ⁽¹⁾	55.6	56.9	58.3	60.0	61.2
Net interest and rental revenue	44.4	43.1	41.7	40.0	38.8

⁽¹⁾ The comparative periods have been adjusted to be consistent with the current period presentation, reflecting the removal of internal expenses related to service delivery.

Operating Expenses

	Q1 2016	Q4 2016	Q1 2017
Salaries, wages and benefits ⁽¹⁾	\$75,359	\$72,152	\$70,806
General and administration expenses ⁽¹⁾	\$48,983	\$41,452	\$40,281
Total adjusted operating expenses	\$124,342	\$113,604	\$111,087
% of Net revenue	46.09%	48.64%	47.44%
% of Adjusted operating income	53.9%	51.3%	52.6%

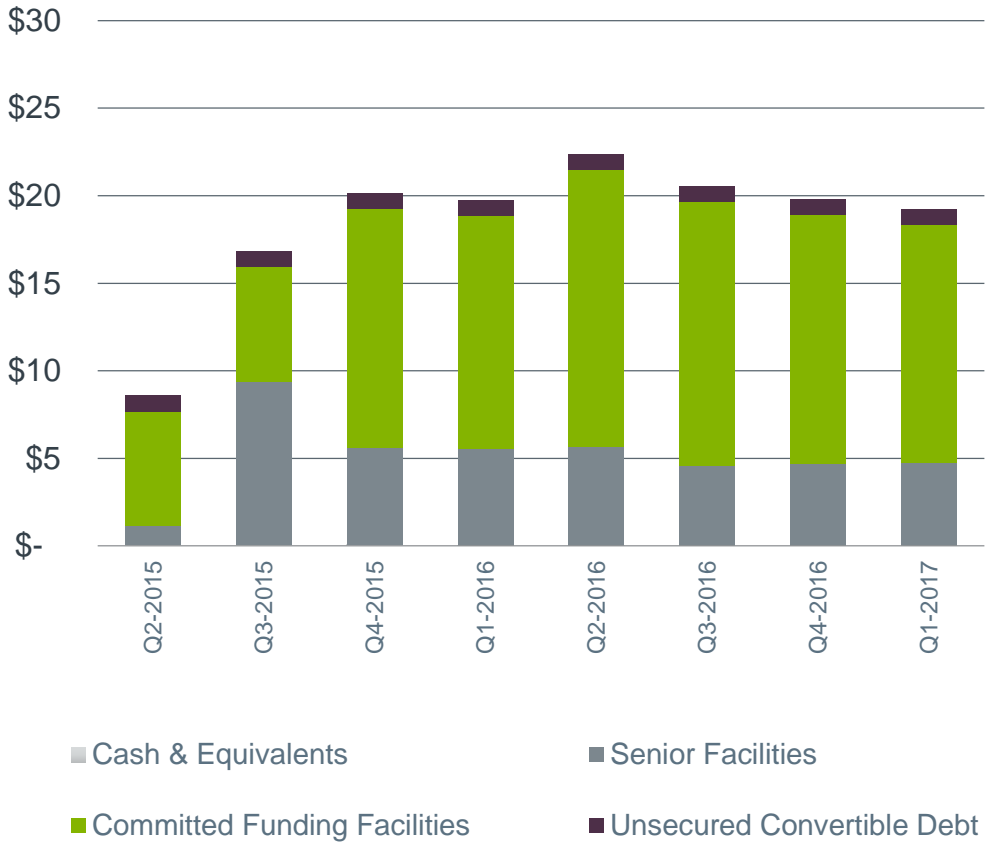
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Portfolio Quality

Low Risk Assets/Minimal Credit Losses

	Delinquencies as a % of Finance Receivables		
	Q1 2016	Q4 2016	Q1 2017
Non-current (> 31 days)	0.10%	0.02%	0.17%
Defaulted	0.01%	0.03%	0.05%
Allowance for Credit Loss (as a % of Total Finance Assets)	0.09%	0.05%	0.04%

Treasury Update



Committed facilities (available & outstanding) amounted to \$18.3B as of March 31, 2017

At March 31, 2017, \$5.0B in available financing to fund ongoing originations


Committed facilities are supplemented by access to pre committed Term ABS market

Debt maturities match to asset run off with repayment schedule mirroring expected debt repayments

Completed combining Chesapeake I and II on April 7th, creating \$7B US platform

Issued \$150M in preferred Series I shares, on May 5th.

Cash provided by adjusted operating activities was \$145M for the quarter

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Bradley Nullmeyer CEO

Creating Long Term Shareholder Value

Long-Term Shareholder Value Creation

The Future of Fleet Management

- Delivered \$0.24 EPS in quarter
- Annual dividend to common shareholders of \$0.30
- Continued move to Service Fee revenue (61%) that is growing, higher margin and annuity like
- Investment, in technology and data analytics made to accelerate the transition to higher margin service offerings that are predictable and long term in nature and SaaS like
- Confirmed Element Fleet as a leading fleet-focused business services provider that is deep in data accumulation and analytics
- Post integration focus on efficiencies and capitalizing on our platform and market opportunities

Prudent manager of capital, focused on balancing investment in growth, both organic and inorganic, and return of capital to shareholders



QUESTIONS

