Q4 & FY 2018 Investor Presentation

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Forward-looking statements

This presentation contains certain forward-looking statements and forward-looking information regarding Element and its business which are based upon Element's current expectations, estimates, projections, assumptions and beliefs. In some cases, words such as "plan", "expect", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "target", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements and forward-looking information. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements or information.

Forward-looking statements and information in this presentation include, but are not limited to, statements with respect 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, capital structure and capital expenditures; Element's after-tax adjusted operating income per share; Element's anticipated dividend policy and plans for future dividends, including realizing on its plans to implement a dividend reinvestment plan; Element's ability to deliver returns and benefits from its initiatives; client acquisition, retention and experience; changes to management; relationships with suppliers; anticipated cash needs, capital requirements, need for and cost of additional financing and ability to access such financing; future assets; demand for services; Element's competitive position; anticipated trends and challenges in Element's business and the markets in which it operates; Element's borrowing base; those related to the completion and nature of the proposed bought deal public offering of common shares pursuant to a prospectus supplement to Element's base shelf prospectus dated April 20, 2017 (the "Public Offering"); those related to the completion of the acquisition of the interests in 19th Capital Group LLC ("19th Capital") not already owned by Element and the financial impact thereof; those related to the integration, operation and financial impact of 19th Capital following its acquisition, including Element's ability to dispose of 19th Capital's idle truck inventory, run off existing leases and change the origination process to improve the creditworthiness of 19th Capital clients and reduce churn; the extent, nature and impact of any write down of various fleet management businesses or non-core businesses (including those related to 19th Capital); the implementation of Element's systems integrations and organizational revisions; the extent, nature and impact of any value driver to create pre-tax run-rate operating income; Element's ability to generate pre-tax run-rate operating income; Element's ability to increase total shareholder return; Element's ability to pre-fund redemption of its outstanding convertible debentures upon their maturity, including realizing on its plans for selling certain non-core assets; anticipated impact on credit ratings; and Element's research and development investment plans and product offerings.

By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Such forward-looking statements and information in this presentation speak only as of the date on the front of this presentation. 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; acceptable negotiations with third parties; 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; Element's net interest margin; growth in lease receivables and service income; assumed rate of cost inflation; assumed applicable foreign exchange rates and applicable income tax rates; Element's funding mix; the number of common shares issued over the applicable period and under the Public Offering; terms of the new instruments issued to refinance Element's 2019 and 2020 convertible debentures; the reset rates for Element's outstanding preferred shares; proceeds from non-core asset sales; the operating performance of 19th Capital, including the terms upon which idle assets can be sold or leased, and timing of same; the extent of its assets and liabilities; and, in the case of the forward-looking statements regarding financial outlook, that Element will achieve the expected benefits, costs and timing of the transformation plan. 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.

The forward-looking events and circumstances discussed in this presentation 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 finance industries, economic factors, risks related to the completion of the purchase of new portfolios or technologies or the addition of new clients, risks related to the payment of dividends, risks relating to business integration and many other factors beyond the control of Element. No forward-looking statement can be guaranteed and Element cannot guarantee future results, levels of activity, performance or achievements. 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. A discussion of the material risks applicable to Element can be found in Element's current Management and Discussion and Analysis, and Annual Information Form, as well as the prospectus supplement to be filed in connection with the Public Offering, all of which have been or will be 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 disclaims any intention and assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.-looking statement, whether as a result of new information, future events, or otherwise.

Disclaimer

An investment in the securities of Element involves significant risks. A discussion of some of the material risks affecting Element and its business appears under the heading “Risk Factors” in Element’s Annual Information Form dated March 28, 2018, under the headings “Risk Management” and “Critical Accounting Policies and Estimates” in Element’s Management and Discussion and Analysis for the three- and six-month periods ended June 30, 2018 as well as in the prospectus supplement to be filed in connection with the Public Offering, all of which have been or will be filed on SEDAR and can be accessed at Element’s profile on www.sedar.com. Prospective investors should carefully consider the risks associated with an investment in the securities of Element before deciding to purchase any such securities, including the risk factors that may be found in the prospectus supplement to be filed in respect of the offering of Element’s common shares contemplated herein.

No securities regulatory authority has expressed an opinion about the common shares discussed in this presentation and it is an offence to claim otherwise. The common shares discussed in this presentation have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state in the United States and are being offered and sold within the United States exclusively to "qualified institutional buyers" in reliance upon Rule 144A under the U.S. Securities Act of 1933 (the “U.S. Securities Act”) and outside the United States in compliance with Regulation S under the U.S. Securities Act.

This presentation does not constitute an offer to sell or solicitation of an offer to buy any of the securities of Element in the United States. The following is a summary only and should be read together with the more detailed information and financial data and statements contained in the final base shelf prospectus and the applicable shelf prospectus supplement.

Unless the context otherwise requires, references to "$" are to Canadian dollars.

Non-IFRS Measures

In this presentation, management uses a number of terms and ratios (including “adjusted operating income” and “after-tax adjusted operating income per share”) 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 most recent quarter or year, 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.

Please see the definitions of “Adjusted operating income” and “After-tax adjusted operating income per share” provided under the heading “Description of Non-IFRS Measures” contained on page 31 of Element’s “Management Discussion and Analysis” in respect of the period ended June 30, 2018, which is publicly available on SEDAR. In future reporting periods, the definition of “adjusted operating income” will be modified to: (i) remove the adjustment for the “share of loss from joint venture”, which will no longer be applicable following the acquisition and consolidation of 19th Capital; and (ii) add a new adjustment in respect of one-time restructuring charges and other costs Element will incur in connection with the implementation of the transformation program.

Element's foundational strengths

~$19 bn
Assets

~$3 bn
Market cap

EFN
Ticker

- No. 1 in North America and New Zealand; top 3 in Australia
- World-class Fortune 500 clients
- Investment-grade balance sheet
- Diversified across different revenue streams, client types, geographies and funding sources
- Organizational redesign with new incentive structure
- Accountable new management with proven ability to deliver shareholder value
- Transformation program underway is expected to increase annual pre-tax run-rate profit by ~$150M on exiting 2020

"We are in the enviable position of being a global leader in the business of fleet services and leasing."

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Business plan

Our strategy: A client-centric transformation

A client-centric reset of the business to create lasting value for shareholders and position the company for growth

- Element is a global market leader in fleet services and leasing
- The new leadership team has completed an end-to-end review of the business and is executing a comprehensive transformation plan
- This has resulted in the creation of a client-centric strategy for Element that is expected to generate immediate value for all stakeholders
- The plan is expected to increase annual pre-tax run-rate profitability by ~$150M on exiting 2020

"In a very short time, Element has become a market leader in the fleet services and leasing industry. Our company is in an enviable global business with compelling growth prospects. The strategic plan being implemented within Element will address the issues facing the business and create lasting value for investors, clients and employees."

Jay Forbes, CEO,
Element Fleet Management

Business plan

Our strategy is on track with a clear path forward

Strengthen the balance sheet

- To suitably strengthen its balance sheet, and to minimize refinancing risk regarding the June 2019 convertible debentures, Element executed on the following initiatives:
  - Raised ~$345M of common equity
  - Reduced the common dividend by 40%
  - Instituted a dividend reinvestment program
  - Sold excess real estate in Eden Prairie, Minnesota
  - Sale of our interest in ECAF is underway
  - Refinanced our ABS assets to create an additional ~$160M in borrowing base

Reposition 19th Capital

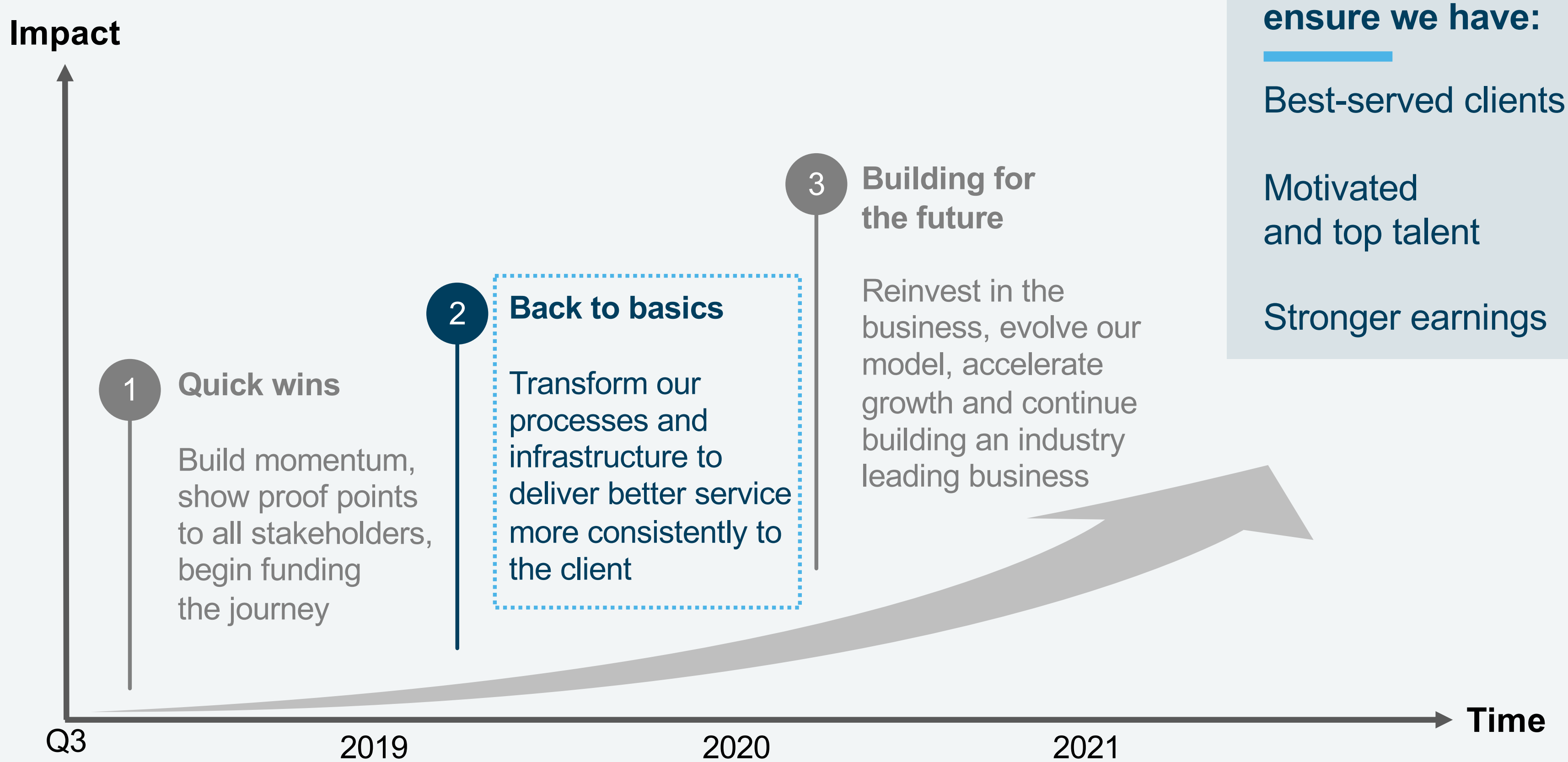
- We have achieved some early successes in repositioning 19th Capital and have dealt decisively with the business to date:
  - New leadership team is in place; they have constructed a detailed plan to run-off the portfolio while exiting the idle truck inventory and are successfully executing that plan
  - The business broke even in Q4
- We expect to recover as much as $100 million of the $260 million residual value of the business by the end of 2019:
  - We haven't seen anything that would cause us to reassess our $260 million valuation of the business
  - Regarding the pace of recovery of our investment in 2019, while we are seeing good cash returns from the disposition of idle assets to date, we need to carefully manage the pricing impact of both economic and demand trends in the Class 8 market as we dispose of our trucks

Transform Element's business

- Refocused resources on creating a superior client experience, which will allow Element to create an expected ~$150M of improvement in annual pre-tax profitability
- Completed 65 projects and actioned $58 million of Quick Wins by December 31, 2018, a 45% increase over target
- We are now ramping up to ~$100M of profitability improvement exiting 2019, with the full ~$150M run-rate achieved by the end of 2020
  - We have identified - with specificity - the $150M and created 17 workstreams that will allow us to achieve this permanent reset of our pre-tax profitability
  - We have 75% of our one-time investment funds available to us to secure the remaining improvements

Business plan

We are executing the strategy in three phases



Our plan will ensure we have:

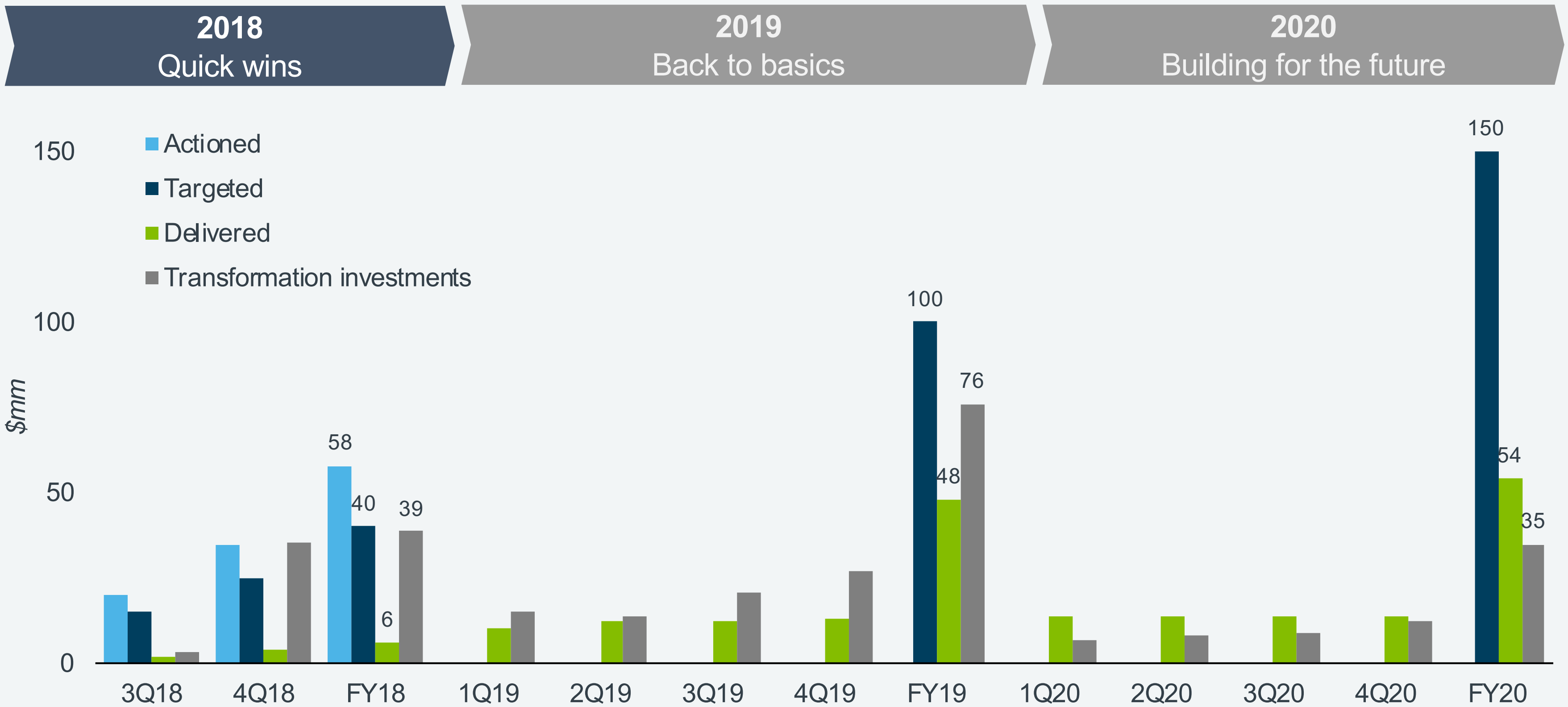
Best-served clients

Motivated and top talent

Stronger earnings

Business plan

We completed phase one well ahead of target



Key Definitions

Actioned: A profitability improvement initiative has been "actioned" when Element has taken all steps required for the initiative to deliver value. The value of an "actioned" initiative is the run-rate value of the resulting profitability improvement to be delivered

Targeted: The value of profitability improvements we expect to be able to "action"

Delivered: Profitability improvement is "delivered" as each dollar of cost savings or revenue increase is reflected in Element's Op Inc

Transformation Investments: One-time investments in our transformation program

Op Inc: Operating income before tax

Business plan

We are now executing phase two of our plan

	Quick wins	2019 Back to basics	2020 Building for the future
Anticipated annual run-rate Op Inc improvement	~$58M	~$100M	~$150M

65 small projects

- Delayering to get closer to the client
- CAPEX projects re-prioritization
- Supplier management
- Cost productivity
- Revenue assurance

25+ initiatives

- Improvement of client service delivery
- Optimization of go-to-market strategy and pricing model
- Improvement of client acquisition and retention
- Operations streamlining and simplification
- Rebate and procurement management
- Increased automation and org simplification

5-10 initiatives

- Growth of the small & mid market fleet segments
- Salesforce optimization
- Other strategic growth levers

Business plan

Tangible proof points

Workstream	Achievements to date and in progress
Client impacts	• Online driver quote initiation • Fuel PIN replication across accounts • Electronic Odometer Statements as part of a request for vehicle sale entry process
Client attrition	• Designed and implemented a granular, data-driven understanding of client attrition, allowing us to introduce a sophisticated process to measure, monitor and mitigate attrition
Operations	• Launch of three agile squads that are focused on streamlining processes and automating manual work
Revenue assurance	• Building on the ~$11M in actioned leakage closure in Q4, assessing additional revenue assurance opportunities for economic benefit and better billing certainty for clients
Strategic sourcing and rebates	• NA supplier baseline, strategy for Original Equipment Manufacturer (OEM) and Tires and Maintenance • $9M run-rate value actioned from Quick Wins
Indirect procurement	• Supplier baseline, quick wins on health benefit, cell carrier and purchase card
Operating model and organization design	• Layer reduction from 9 to ~5, growth for high potential employees, new incentive structure
Change management	• Cascaded ownership and accountability of transformation objectives through Element • First of many transitions/capability transfers between BCG/Element counterparts complete

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Business plan

Our “Global” Balanced Scorecard is aligned with Element's two-year transformation plan

Element
Global
Balanced
Scorecard

Dimensions	Strategic Pillars
Our Clients	1 *Consistently deliver a superior experience and exceptional value for our clients*
Our Business	2 *Improve the productivity of our business*
Our People	3 *Build a more engaged and accountable workforce*
Our Investors	4 *Generate an appropriate risk-adjusted return for our investors*

Business plan

The result: an anticipated increase in after-tax adjusted operating income

Consolidated after-tax adjusted operating income per share

Note: 2020 estimate are on a currency neutral basis

Element is expected to generate after-tax adjusted operating income per share of $0.90 to $0.95 for FY 2020

Q4 & FY 2018 Results & Financial Position

Summary of Q4 & FY 2018 results

- For 2018 as a whole, the core Fleet Management business was essentially flat, with net revenue down 1.3% year-over-year while net earning assets and new originations grew 2.0% and 4.8% respectively
  - Net revenue from non-core assets declined 88.8% year-over-year as the Company wound down or sold off these non-strategic assets, reducing the Company's consolidated net revenue from $952.0 million in 2017 to $873.5 million in 2018
- Q4 adjusted operating income of $99.2 million for core Fleet Management business; $3.8 million greater than in Q4 2017
- Consolidated net income of $41.2 million in Q4 2018 up from a consolidated net loss of $1.5 million in Q4 2017
- Transformation work identified and actioned $58 million of run-rate profit improvements in 2018; $18 million ahead of plan
- Encouraging evidence of improved client retention and organic growth, with year-over-year and quarter-over-quarter increases to core net earning assets and new originations
- Element continues to prioritize strengthening its balance sheet and reducing leverage
  - The Company has sold real estate, successfully repositioned the non-core 19th Capital business for run-off or potential sale, and will refinance materially less than the $345 million of convertible debentures maturing on June 30, 2019, settling the balance in cash

Summary of Q4 & FY 2018 results

Financial Highlights

	Three months ended Dec. 31		Twelve months ended Dec. 31	
In $CAD thousands, except per share amounts	**2018**	2017	**2018**	2017
Consolidated Results				
Net income (loss)	**41,145**	(1,463)	(199,104)	154,644
Earnings (loss) per share (basic)	**0.07**	(0.03)	(0.62)	0.29
Net revenue	**221,480**	229,814	873,519	952,027
Adjusted operating expenses[1]	**124,951**	127,138	486,376	485,425
After-tax adjusted operating income attributable to common shareholders[1]	**68,083**	70,983	275,649	332,238
After-tax adjusted basic EPS[1]	**0.16**	0.19	0.70	0.86
Core Fleet Management Operations				
Net revenue	**220,818**	221,312	865,174	876,833
Adjusted operating expenses[1]	**121,571**	125,887	478,071	479,701
After-tax adjusted operating income attributable to common shareholders[1]	**70,312**	68,289	273,151	276,405
After-tax adjusted operating income per share (basic)[1]	**0.17**	0.18	0.70	0.72
Net Interest Margin (%)	**2.69**	2.61	2.71	2.66
Average Net Earning Assets	**12,759,998**	12,331,040	12,598,077	12,349,533

1. See Non-IFRS Measures, and the Company's Management Discussion & Analysis ("MD&A") for the three and twelve months ended December 31, 2018 for more information.

Balance sheet overview

1. **We have reduced our requirement for additional capital as we refinance our converts in 2019 and 2020**

2. **We are Investment Grade rated by Fitch, DBRS and Kroll**

3. **19th Capital is de-risked and is in process of resolution**
   - We expect to recover ~$100M of our ~$260M residual investment in 19th Capital by the end of 2019

A global fleet leader

Element Fleet Management is a leading global fleet management company, providing world class services and financing of commercial vehicles to make our clients' fleets and their drivers safer, smarter and more productive.

Dominant market position in North America with leading market positions in Australia and New Zealand, and global alliance with BNP Paribas Arval

Client-centric strategy driven by a full-service, technology-enabled model

Diversified across different revenue streams, client types, geographies and funding sources

Accountable new management with proven ability to deliver shareholder value

Transformational reset underway to meaningfully improve earnings, move beyond legacy issues and position the company for growth

Appendix

Appendix – Business overview

A brief history of Element Fleet

- **2012** + TLS Fleet Management
- **2013** + GE Capital's Canadian Fleet Operations
- **2014** + PHH's North American Fleet Management
- **2015** + GE Capital's US, Mexico and ANZ Fleet Operations
- **2016** Separation of EFN and ECN, with EFN retaining the fleet business
- **2018** Announcement of Transformation Plan
- **2019+** Execution of Transformation Plan

Element possesses a market leading franchise, with a long-term client base, in an industry that has been established and stable since 1946

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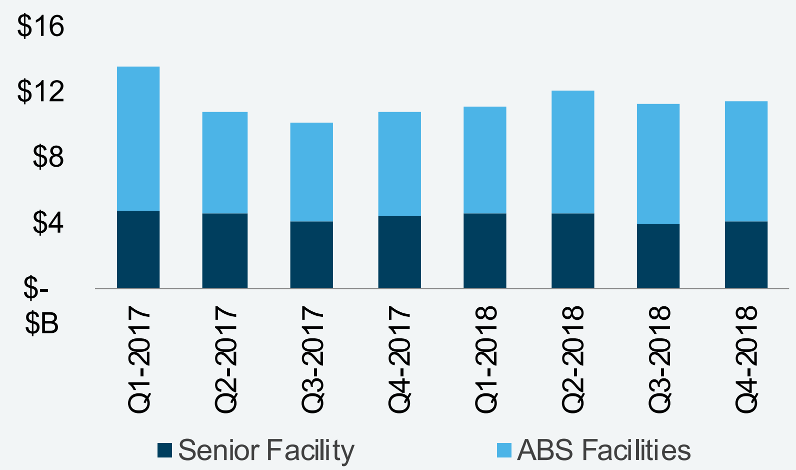
Element's current capital structure

Balance Sheet

2018-12-31		Balance (C$MM)	Weighted Avg. Rate
Vehicle Mgmt ABS Debt		$10,925	2.95%
Term Senior Credit Facility		$2,406	3.54%
Convertible Sub. Debt	Maturity Date: 6/30/2019	$345	5.125% Conversion Price[1]: $13.22
Convertible Sub. Debt	Maturity Date: 6/30/2020	$575	4.25% Conversion Price[1]: $17.63
Preferred Equity	Series A	$115	6.93%
Preferred Equity	Series C	$128	6.50%
Preferred Equity	Series E	$133	6.40%
Preferred Equity	Series G	$173	6.50%
Preferred Equity	Series I	$150	5.75%

Lender Commitments



Investment grade rated by Fitch, DBRS and Kroll

1. Conversion price as at March 5, 2019.

Resilient client-centric business model can withstand all economic conditions

Fleets are mission-critical assets for our clients, who need our products to generate revenue regardless of macroeconomic conditions

We have a diverse client base with high credit quality, which helps make our business resistant to economic slowdowns

~65%

High quality counterparties

~65% of our client base is Investment Grade rated (publicly or "Investment Grade equivalent")

~4%

Diversified client base

No single client accounts for more than ~4% of our U.S. assets

~7%

Low industry concentration

Element's biggest concentration in a single industry is ~7%

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Focus on credit quality

Stringent onboarding credit process

- ✓ Financial statements required from all clients
- ✓ Annual reviews of all clients
- ✓ Experienced underwriters (average underwriting tenure of 15 years)

Strong monitoring & remediation procedures

- ✓ Enhanced monitoring process for weaker credits
- ✓ Remedial actions available for areas of concerns
- ✓ In the event of deteriorating financials and insufficient equity, we seek a cash deposit or letter of credit

This system works: when a rating agency asked us to look at recent bankruptcies of clients, we found that all four examples had been on our enhanced monitoring list

Appendix – NIM & recession discussion

Credit governance and decisioning

Governance

- Audit, Credit and Risk Committees, led by independent directors, provide strong board oversight
- Element's lenders provide discipline in the following areas:
  - Monthly financial and portfolio compliance
  - Onsite process and financial audit reviews
  - Ongoing compliance with credit underwriting policies and procedures
  - Annual "agreed upon procedures" reports by external auditors

Industry & Market Overviews
Deep understanding of the assets and industries we finance

Credit Manual
Defined asset and credit risk underwriting criteria are well documented, with limitations on equipment types and guidelines on managing industry and obligor exposure

Documentation Manual
Standardized documentation and security interest filings, defined funding and post closing review processes are in place

Portfolio Management & Reporting
Board/Committee monitoring of portfolio performance, with swift remedial action for accounts that may be, or have become credit impaired

Credit decisioning

- Clear separation of functions linked to business development, credit analysis and operations
- Hierarchy of board approved delegation authority for credit decisions, with the highest level of decision making resting with the Credit Committee
- Experienced underwriting staff with specific market expertise in the vertical markets in which we participate in
- Strict adherence to internal policies and procedures governing underwriting, documentation, funding and compliance

Credit controls & process

Element intentionally separates the functions linked to business development, credit analysis, and operations to ensure objectivity throughout the entire process. The diagram below demonstrates the flow of an application from business development to post-closing:

Account Review	Risk Analysis	Credit Decisioning	Closing	Monitoring
Account executive provides the first level of credit screening. Prepares and submits appropriate application	Application is analyzed by risk officers, who analyze the prospective borrower's application based on defined asset and credit risk criteria Underwriter structures the transaction within Element's guidelines Account executive works with the client to modify the terms and pricing, where required, to conform to approval terms	A hierarchy exists to delegate authority for credit decisions; Levels of authority cannot be bypassed and it only takes one "No" vote to terminate the application The highest level of decision making rests with the Credit Committee, which is made up of 5 board members; All decisions to this level must be unanimous	Element's documentation team is responsible for documenting the transaction in accordance with the terms and conditions of the credit approval; All documentation is standardized Documentation coordinators are responsible for all security interest filings, funding and post-closing review with follow-up where required	Portfolio management team processes and maintains the account An account review process is maintained for all accounts The portfolio management team is prepared to react quickly if there is any indication the client may have difficulty fulfilling the contract terms

Effective protections against infrequent client defaults

- Client defaults are rare
  - When they do occur, Element is well protected and has historically experienced little to no loss
  - Our counterparties, which are typically large companies, are usually able to restructure in the event of deteriorating credit conditions, rather than liquidate
  - In a restructuring, because our assets are essential to the businesses' operations, they are usually affirmed and we continue to be paid

- The way our leases are structured, especially in North America, equity builds up and once a fleet is more than ~2.5 years old, we have equity in the fleet
  - This suggests there is more than enough value to cover the amount we are owed and if there is any sort of issue we can liquidate the fleet and we are covered
  - Leases and services are cross-collateralized and cross-defaulted, so if there is a problem on the service side, we have access to the fleet equity

Appendix – NIM & recession discussion

Safe and stable funding structure

Our structuring and funding are designed to mitigate against liquidity events

Strong access to ABS investors

- ✓ We are a regular issuer in ABS markets
- ✓ Fleet ABS is an asset class in the credit markets
- ✓ We are among the largest Fleet ABS issuers
- ✓ We have more than 100 unique investors in our ABS

Strong funding capacity

- We have a standing undrawn commitment from our bank syndicate to fund ~$3.9 billion of Variable Funding Notes ("VFNs"), which are akin to large credit lines
  - These provide Element with forward funding capacity, so if our access to the ABS market is limited for a time for any reason, Element is able to use VFNs to fund our business
  - Our mandate is to maintain at all times 6-12 months forward funding capacity in VFNs
  - In addition, our senior line is extended every year to maintain between 2 and 3 years forward funding capacity on the balance sheet

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Resilient experience in past economic downturns

Client spending continues

- For clients of fleet managers, fleets are mission-critical assets so they are reluctant to cut back
- In a downturn, clients will sometimes put off new orders, allowing their fleets to age; however that is offset by increased maintenance service fees we earn as older vehicles need more care
  - We have seen this in oil and gas, an industry particularly hit hard by economic downturn

Strong credit performance

- Normally, this business runs at a 2 to 4 basis point annual loss rate
- During the last significant economic downturn, 10 years ago, the businesses that today make up Element Fleet experienced less than 10 basis points a year of loss
- In 2009, there were many client bankruptcies, so defaults went up, however loss given defaults did not change at all

Appendix – NIM & recession discussion

Portfolio quality

Low risk assets/minimal credit losses

- Portfolio continues to perform well
- Non-current accounts at ~10 bps delinquency
- Allowance for credit losses at 6 bps of finance receivables reflects strong asset quality

Fleet Management delinquencies (as a % of finance receivables)

	Fiscal 2017	Fiscal 2018
Non-current delinquency (31+ days)	0.06%	**0.09%**
Impaired receivables	0.04%	**0.28%**
Allowance for credit losses (as a % of finance receivables)	0.04%	**0.06%**

Prudent manager of capital

- Capital capacity available to execute plan
- Tangible leverage of 7.8x post $345 million equity issuance in Fall 2018
- Generates significant surplus cash and has access to capital in excess of that required to fund growth in net earning assets

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Appendix – NIM & recession discussion

Able to pass along market interest rate increases quickly

- We mitigate against changes in funding costs by hedging the difference between the base rate that we fund against and the base rates that the assets price against to cushion ourselves against changes in that spread
- We also mitigate against changes in the spread we pay over benchmarks by being a programmatic issuer of ABS and being in the market regularly – 3-4 times a year – and in that way our funding cost is an average of how the market performs

How quickly can Element pass along market interest rate increases to clients?

- It would take 15-45 days, depending on the speed of interest rate increases and when those rate increases take place relative to our billing cycles
- That's because the timing of when rates are set on our liabilities and our assets does not always line up, however this impact is transitory

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