

FOR IMMEDIATE RELEASE

## ECN Capital Announces Intention to Make a Substantial Issuer Bid for up to C\$115 Million of its Common Shares

**Toronto, Canada – February 28, 2018** – ECN Capital Corp. (TSX: ECN) (“ECN Capital” or the “Company”), announced today its intention to make a substantial issuer bid pursuant to which the Company will offer to purchase for cancellation up to C\$115 million of its outstanding common shares (“**Shares**”) from shareholders for cash (the “**Proposed Bid**”). The Proposed Bid will proceed by way of a modified-Dutch auction within a price range of not less than \$3.49 per Share and not more than \$3.90 per Share (in increments of \$0.05 per share within that range). We intend to fund the Proposed Bid with a combination of cash drawn on the Company’s existing credit facility and available cash on hand. The Company anticipates that the Proposed Bid will commence in early March 2018 and will be scheduled to complete mid-to-late April 2018.

“ECN remains firmly committed to its M&A strategy and has several “on-target” opportunities it is pursuing. Our capital position is such that following execution of our planned acquisitions, our equity firepower allows us to return capital to shareholders. Today, our Board of Directors has approved the launch of a substantial issuer bid. This decision reflects our solid financial position, strong ongoing earnings and confidence in ECN’s fundamental value. We are proud to be in a position to continue to pursue growth opportunities and, concurrently, return capital to shareholders”, said Steven K. Hudson, ECN’s Chief Executive Officer.

The Proposed Bid demonstrates ECN Capital’s confidence in the strength of its business, its strong financial position, and its confidence in ECN Capital’s fundamental value. In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Company’s business and future prospects and therefore, the purchase of Shares under the Proposed Bid represents an attractive investment and an equitable and efficient means of providing value to its shareholders. ECN Capital’s management and its Board of Directors have agreed not to tender any Shares to the Proposed Bid.

The tender process allows shareholders to individually select the price, within the specified range (and specified increments), at which they are willing to sell their Shares. When the Proposed Bid expires, we will select the lowest purchase price that will allow us to purchase the maximum number of Shares properly tendered to the Proposed Bid, and not properly withdrawn, having an aggregate purchase price not exceeding C\$115 million. If Shares with an aggregate purchase price of more than C\$115 million are properly tendered and not properly withdrawn, we will purchase the Shares on a pro rata basis except that “odd lot” tenders (of holders beneficially owning fewer than 100 Shares) will not be subject to pro-ration.

ECN designates all deemed dividends arising as a result of the repurchase of the Shares pursuant to the Proposed Bid as eligible dividends. Dividends are designated to be eligible dividends pursuant to subsection 89(14) of the *Income Tax Act* (Canada) and any applicable provincial legislation pertaining to eligible dividends.

The Company anticipates that it will suspend its current normal course issuer bid and automatic securities purchase plan prior to the commencement of the Proposed Bid and that no subsequent purchases will be completed under such normal course issuer bid and automatic securities purchase plan until the Proposed Bid is completed.

The terms and conditions of the Proposed Bid have been approved by the Board of Directors of ECN Capital. The Proposed Bid will not be conditional upon any minimum number of shares being tendered and will be subject to various other conditions that are typical for a transaction of this nature. Details of the Proposed Bid, including instructions for tendering Shares, will be included in the formal offer to purchase and issuer bid circular and other related documents (the “**Proposed Bid Documents**”), which are expected to be mailed to shareholders, filed with applicable Canadian securities regulatory authorities and made available without

charge on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.ecncapitalcorp.com](http://www.ecncapitalcorp.com), should the Company determine to proceed with the Proposed Bid.

ECN Capital has engaged CIBC Capital Markets as its financial advisor and dealer manager in connection with the Proposed Bid. ECN Capital has also engaged Computershare Trust Company of Canada ("Computershare") to act as depository.

This press release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Shares. The solicitation and the offer to buy Shares will only be made pursuant to the Proposed Bid Documents. The Board of Directors of ECN Capital has approved the Proposed Bid. However, none of the Company, its Board of Directors, the dealer manager or the depository makes any recommendation to shareholders as to whether to tender or refrain from tendering Shares to the Proposed Bid. Shareholders are strongly urged to read the Proposed Bid Documents carefully and to consult with their financial and tax advisors prior to making any decision with respect to the Proposed Bid.

### **About ECN Capital Corp.**

With total owned and managed assets of more than C\$5.5 billion, ECN Capital Corp. (TSX: ECN) is one of North America's leading finance companies. ECN Capital operates in four verticals: Home Improvement Finance, Manufactured Housing Finance, Rail Finance and Aviation Finance.

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### **Forward-looking Statements**

*This release includes forward-looking statements regarding ECN Capital and its business. Such statements are based on the current expectations and views of future events of ECN Capital'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 press release include those relating to the final approval, launch, pricing, timing and other terms of the Proposed Bid. 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 ECN Capital, including risks regarding the equipment finance industry, economic factors, and many other factors beyond the control of ECN Capital. 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. A discussion of the material risks and assumptions associated with this outlook can be found in ECN Capital's Annual Information Form dated March 30, 2017 and ECN Capital's Annual MD&A for the financial year ended December 31, 2017, each of which has been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). 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 ECN Capital does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*