
December 3, 2020

Q3 Fiscal 2020 Investor Presentation

Concentra®

Speakers

Don Coulter
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President and CEO



Paul Masterson
CPA, CA, MBA, ICD.D
SVP, Chief
Financial Officer



Tessa Kelln
BBA, CPA, CMA
Securitization
Director



Jocelyn Tratch
CPI, PMP, BSc Hons.
Sr. Strategic Management Director



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Questions

- Questions are encouraged
- Type your questions in the chat box at the side of the presentation
- We'll answer your questions at the end of the session



Don Coulter

Update from the President & CEO

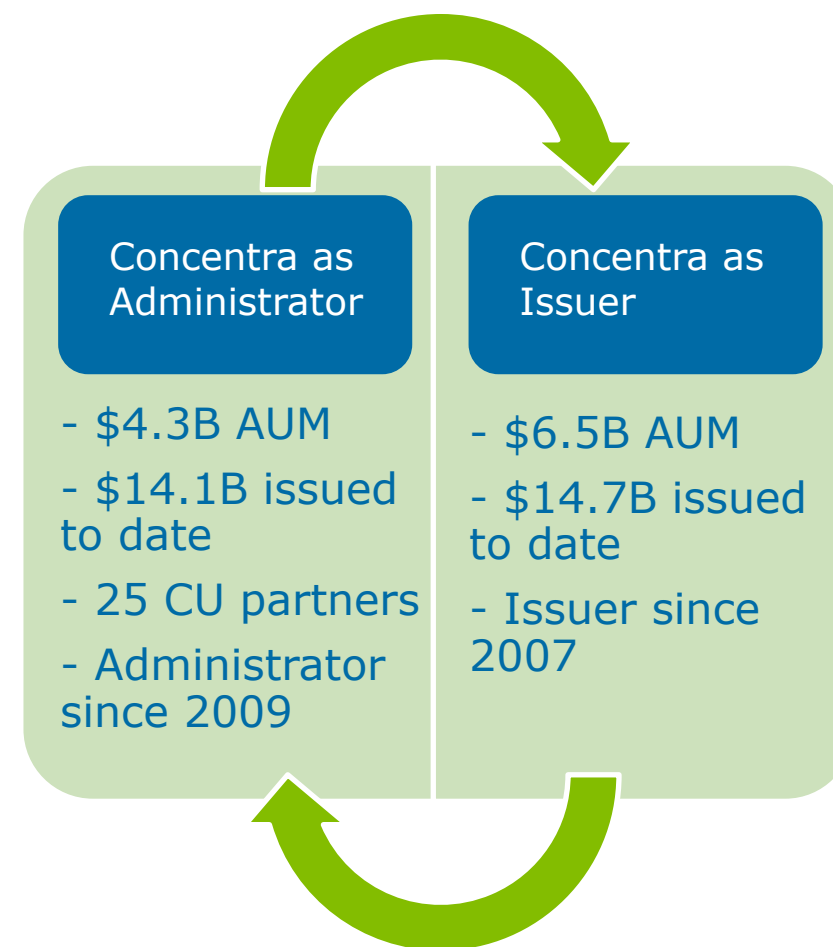


Tessa Kelln

CMHC Securitization Programs

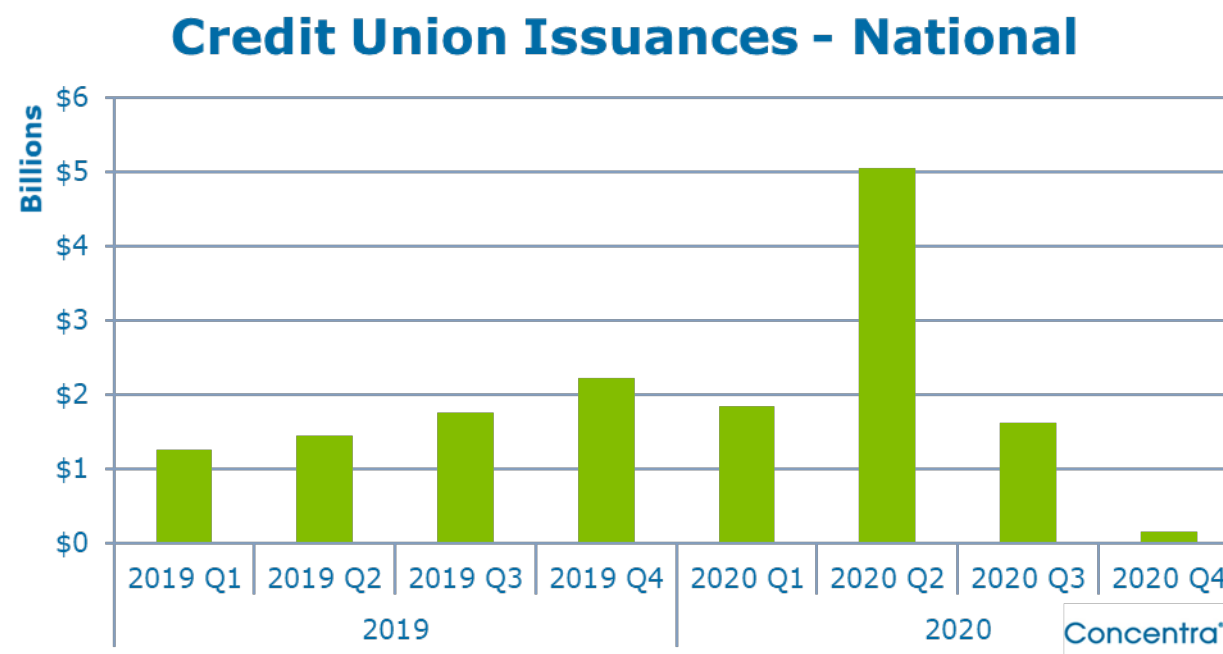
CMHC Securitization Success

- Concentra as Issuer and Securitization Administrator
- We 'walk the talk', first-hand expertise



Securitization Post COVID-19

- Surge in volumes post COVID-19
- Installation of IMPP (Insured Mortgage Purchase Program)
 - \$150B pledged
 - \$5.8B used



Securitization Post COVID-19

- Benefits driving credit union interest:
 - Funding outside CU system
 - Low-cost funding to remain competitive

Competitive residential mortgage rates

1.89% – 1.95% on 5 year



Low cost, matched funding through securitization

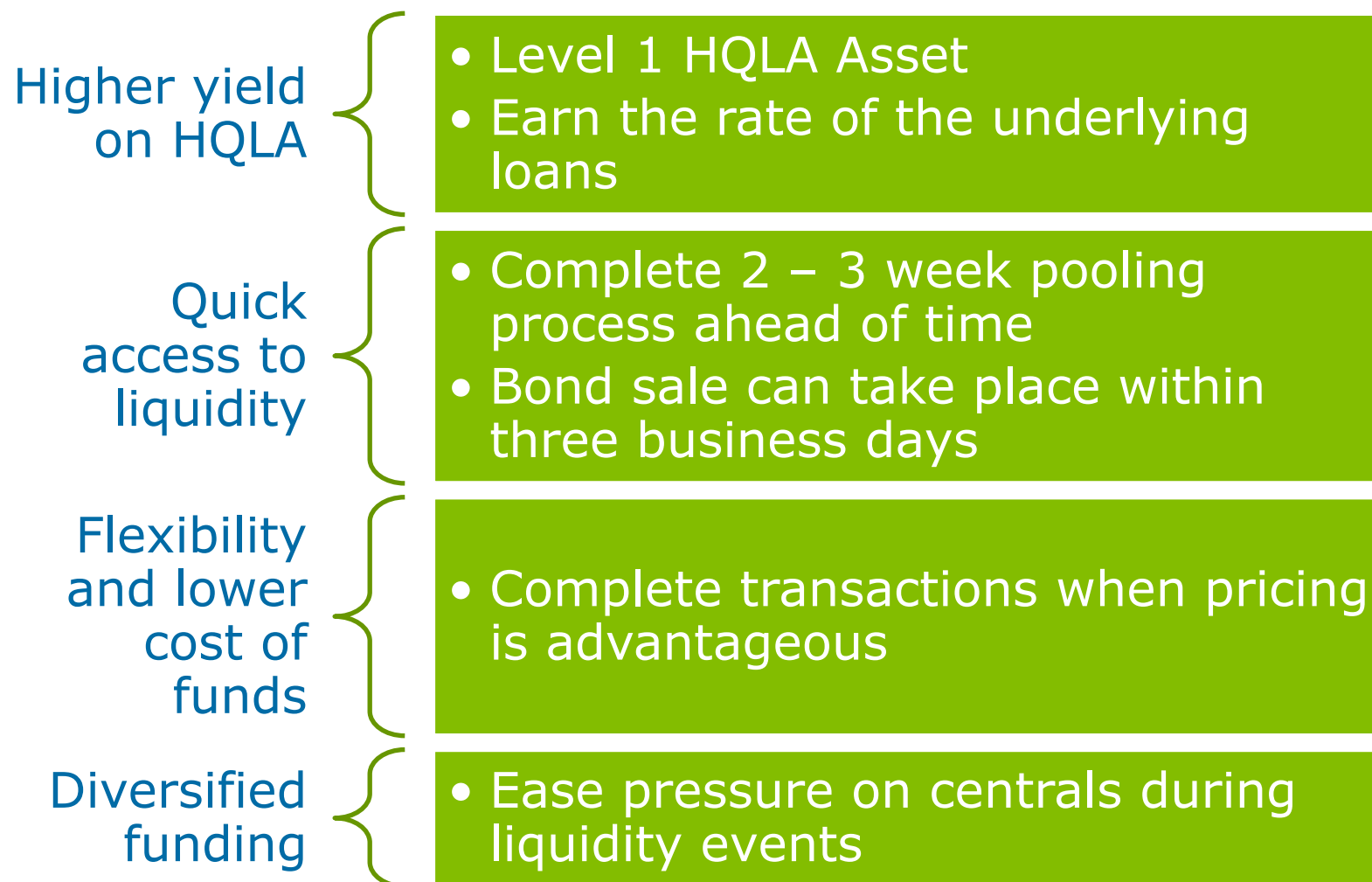
~0.95% all-in cost*



Generate margins at low rates

~100 bps locked-in margin

MBS as HQLA





Paul Masterson
SVP, Chief Financial Officer

Q3 Fiscal 2020 Franchise Earnings

Q3 2020 Business Highlights

Increased ROE% in Q3

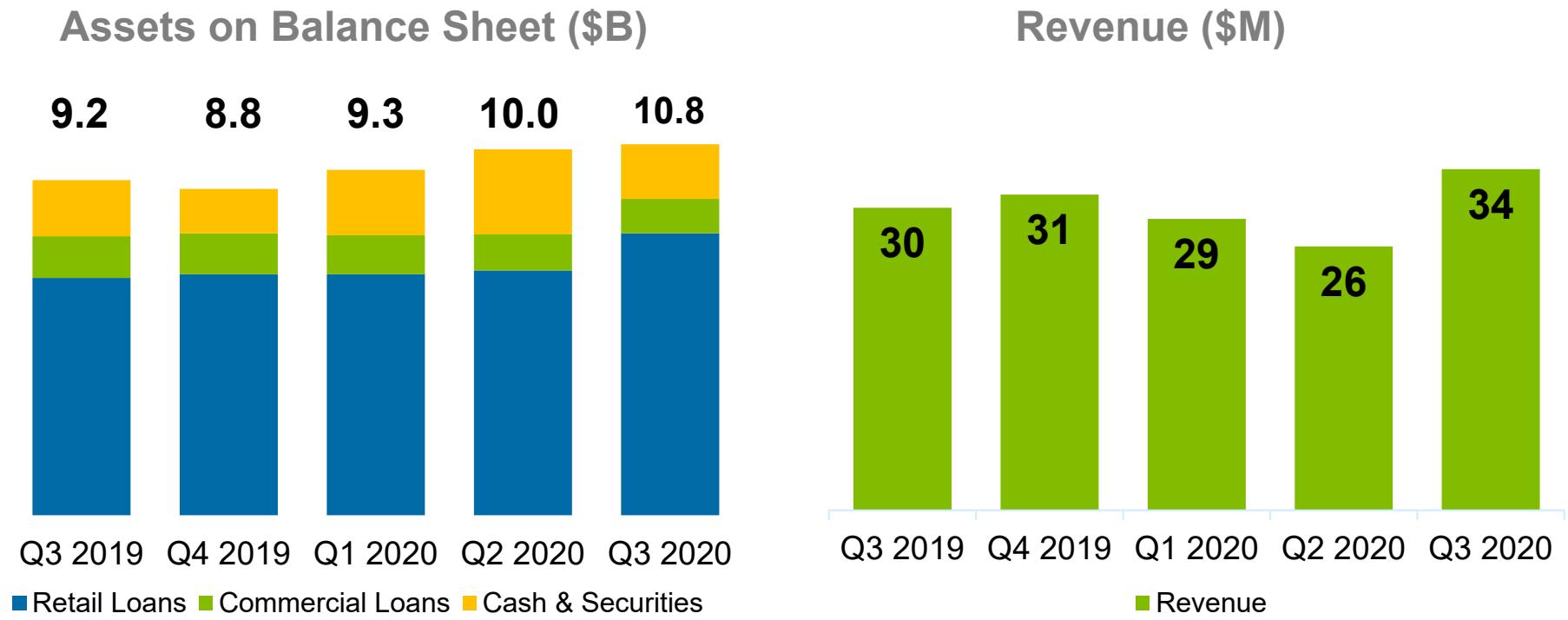
- Revenue momentum bounce-back in Q3
- PCLs moderated in Q3—collective provisions were increased in Q2/F20 as a result of COVID-19
- Expenses increased from Q2
- Q3 Net Income up \$7.7MM from Q2 (driven by strong revenue growth in Q3)

Business Highlights in Q3

- Total assets grew to \$10.8B
- Strong growth in residential mortgages
- Capital ratios remain stable

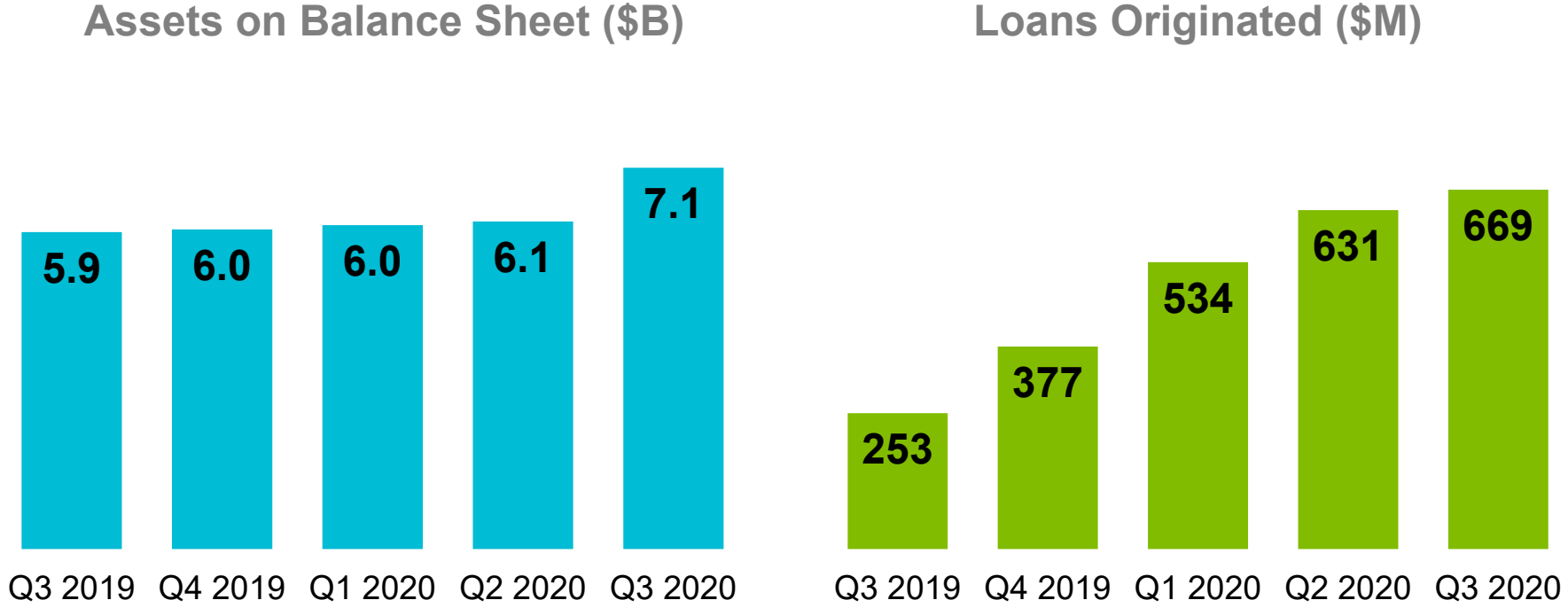
\$millions	Q3/F20	Q2/F20	Q3/F19
Revenue	\$33.6	\$26.0	\$29.7
PCL	\$2.1	\$6.6	\$4.0
Expenses	\$22.1	\$17.7	\$19.6
Net Income	\$9.4	\$1.7	\$6.2
ROE %	3.9%	1.7%	7.5%
Total Assets (\$B)	\$10.8	\$10.0	\$9.2

Strong History of Financial Performance



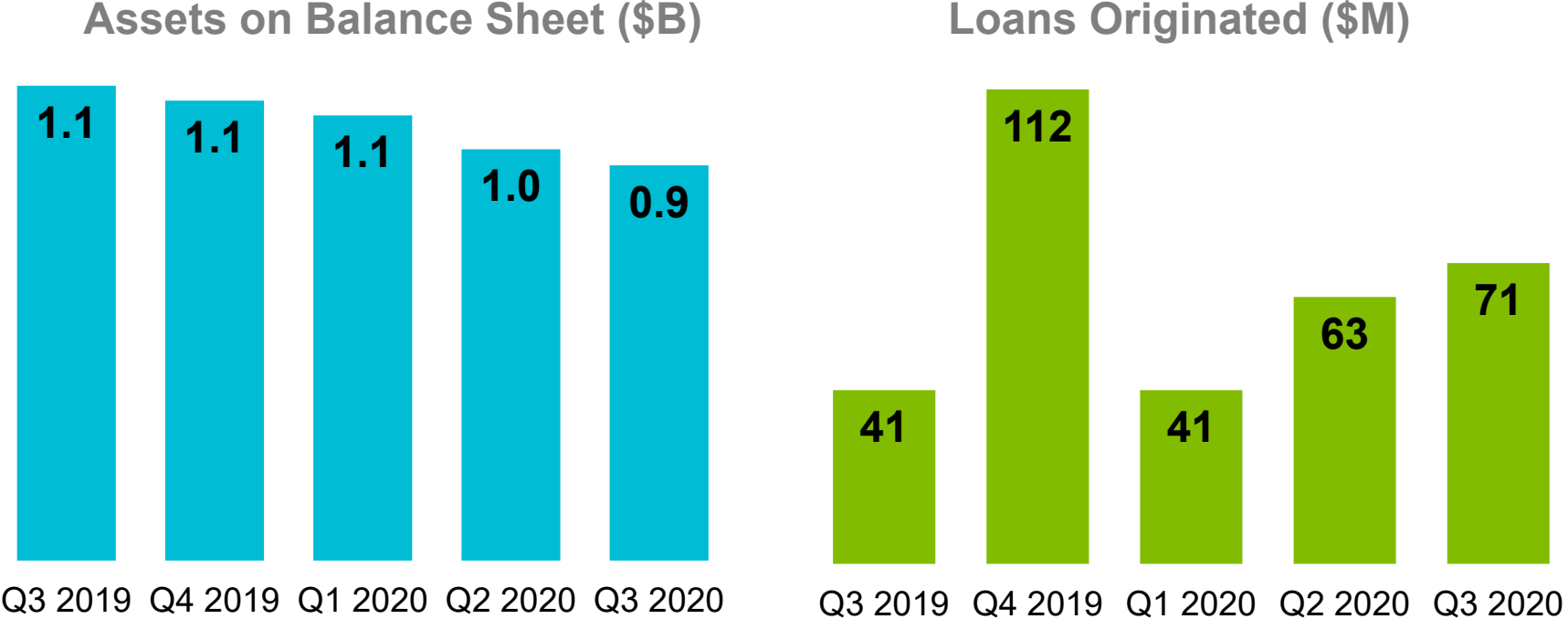
Balance Sheet grew to \$10.8B
Strong revenue in Q3—significant bounce-back from Q2

Residential Loans



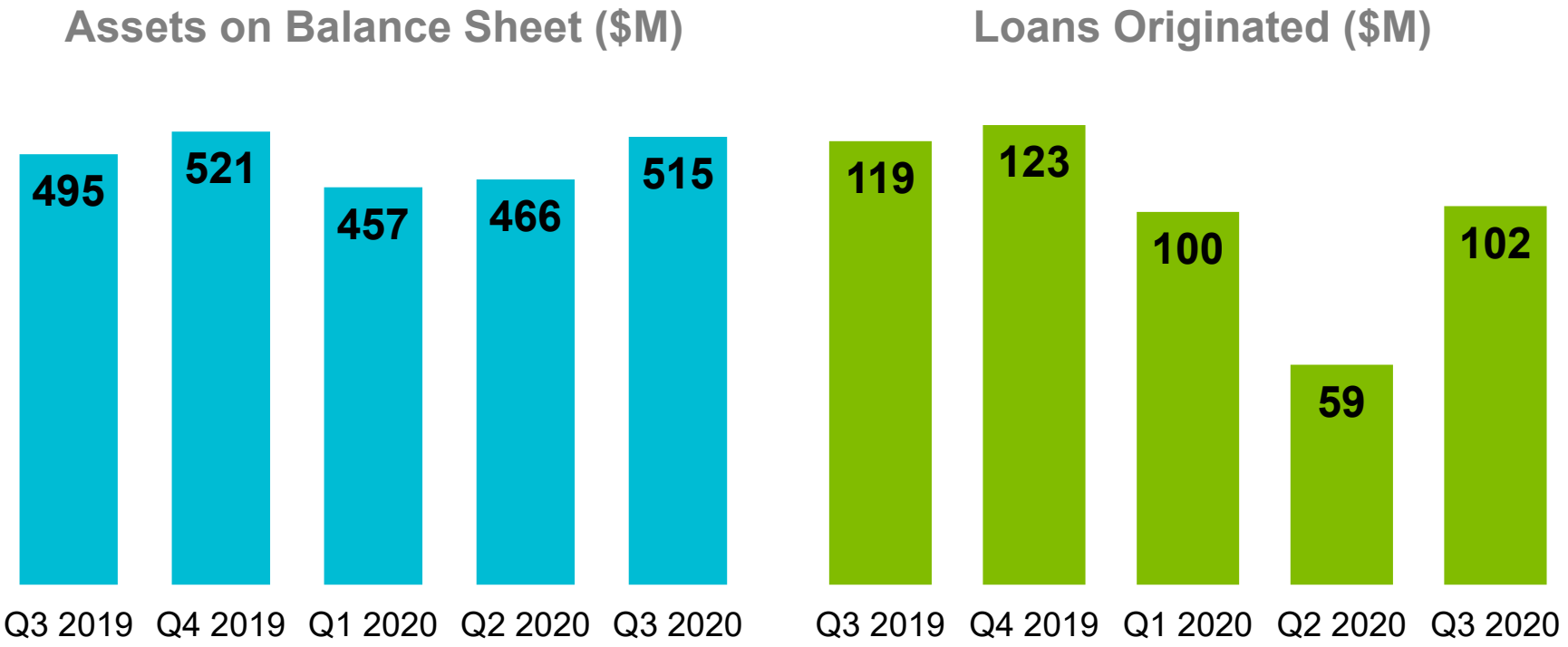
RESL portfolio growth; strong quarter for RESL originations

Commercial Lending



Commercial portfolio stable; rebounding origination activity

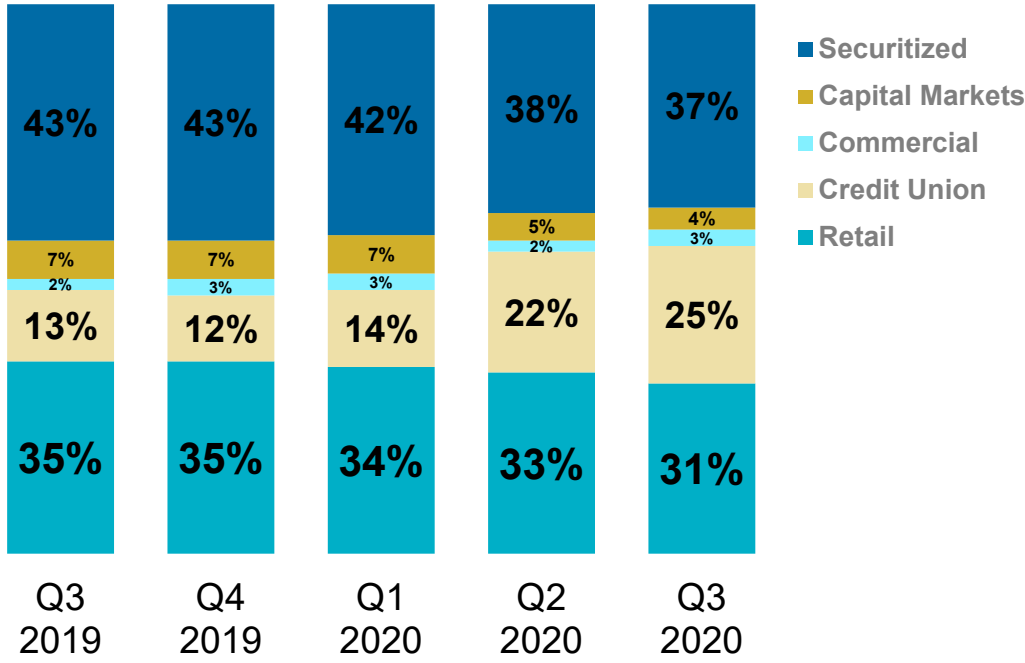
Consumer Loans



Origination activity bounces back in Q3 from Q2

Funding and Liquidity

Total Deposit by Source (%)



Total Liquid Assets (\$B)



Funding stable; well-funded; strong levels in liquid assets

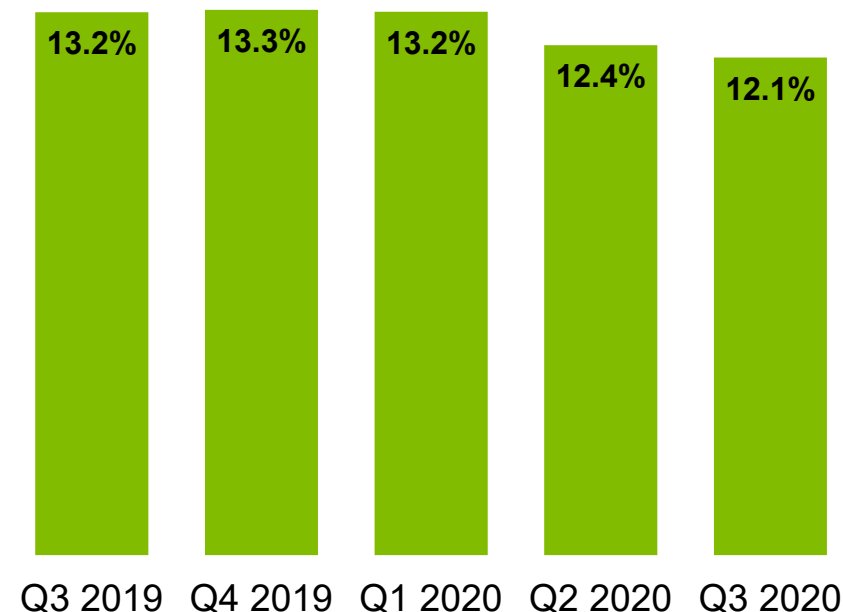
Capital Ratios

Capital ratios remain strong

Q3 F20	Ratio ⁽¹⁾	As prescribed by OSFI
CET1	12.1%	7.0%
Tier 1 Capital	15.5%	8.5%
Total Capital	16.2%	10.5%
Leverage Ratio	4.5%	as prescribed

(1) As per OSFI's capital adequacy requirements

CET1 Ratio





Questions

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