



## Axis Reports Record Third Quarter Results

**May 30, 2017 – Toronto, Ontario** – Axis Auto Finance Inc. (“Axis” or the “Company”), ([TSXV: AXIS](#)) an alternative lender servicing the Canadian used vehicle market, announced today financial results for the quarter ended March 31, 2017. This is the third quarter of fiscal 2017 for Axis and the third quarter of consolidated reporting post completion of the Reverse Take-Over in July 2016. The comparative prior period figures pertain to the private company Axis Auto Finance, recorded before completion of the RTO.

### HIGHLIGHTS

- Record revenues of \$1.8 million for the quarter compared to \$0.9 million in the third quarter of fiscal 2016;
- Record lease receivables balance of \$21.9 million at the end of the quarter compared to \$15.4 million as of June 30, 2016;
- Record loan originations of \$13.5 million in the nine month period, compared to \$9.4 million in the first nine months of fiscal 2016;
- Average portfolio yield of above 30%
- Annualized loss rate at 7.3%, down from 8.8% in fiscal 2016

Revenues of \$1.8 million for the quarter increased 97% from the revenues of \$0.9 million for the comparative period in fiscal 2016, consistent with the portfolio growth. Third quarter revenue equated to an annualized revenue run-rate of \$7.3 million, compared to \$3.6 million reported for the 2016 fiscal year.

Loan originations for the first nine months of fiscal 2017 were \$13.5 million, a 43% increase from \$9.4 million in the first nine months of fiscal 2016. On an annualized basis originations are consistent with management’s growth objectives.

The annualized loss rate for the first nine months of fiscal 2017 was 7.3%, down from 8.8% for fiscal 2016 and well within the management expectation of a loss rate that can fluctuate between 5-10%.

The average portfolio yield for the first nine months of fiscal 2017 was 35.4%, compared to 34.1% in fiscal 2016 and consistent with the management objective to maintain the average yield on its lease receivables portfolio above 30%.

Lease receivables at the end of the quarter were \$21.9 million, an increase of 42% from \$15.4 million at June 30, 2016.

Net income for the quarter was \$7,356, or \$0.0001 per share, up from a net (loss) of (\$214,005) in Q3 of fiscal 2016. This is the first quarter for a positive net income for Axis, after being cash flow positive on a consistent basis since its inception.

## **About Axis Auto Finance**

Axis provides non-standard financing options targeting roughly 30% of Canadians (Source: Equifax) that do not qualify for traditional bank-type financing for their used vehicle purchase. Through personalized service and a commitment to building strong, long-lasting relationships with dealer partners, Axis continues to be one of Canada's fastest-growing auto-financing companies.

Further information on the Company can be found at [www.axisautofinance.ca](http://www.axisautofinance.ca).

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*Certain information in this press release may constitute forward-looking information. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in the Company's filings with the Canadian securities regulators, available at [www.sedar.com](http://www.sedar.com).*

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