



TSX Symbol: **EH**

easyhome Ltd.
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Press Release

July 28, 2014

***easyhome* Ltd. Announces New \$200 Million Credit Facility and Increases Loan Book and Sales Growth Targets**

Mississauga, July 28, 2014: easyhome Ltd. (TSX:EH) ("**easyhome**" or the "**Company**"), the Canadian leader in providing goods and financial services to the cash and credit constrained consumer, today announced that it has entered into a new \$200 million credit facility, replacing the Company's current debt facilities and providing \$115 million of additional capital to support the growth of easyhome's consumer finance business, easyfinancial.

"Being able to access additional capital allows us to fund and accelerate our growth plans for easyfinancial," said David Ingram, easyhome's President and Chief Executive Officer. "We expect to achieve the metrics we set for our total loan book reaching \$250 million a year earlier than anticipated - by the end of 2015."

The Company launched easyfinancial in 2006 to provide term financing to consumers looking for credit alternatives that are more readily accessible than banks and less costly than payday loans. Over the past 36 months, easyfinancial has tripled the size of its consumer loans receivable portfolio to \$145 million at June 30, 2014. The additional capital secured today will allow easyfinancial to continue its growth and build upon its leadership position as an alternative provider of term financing to consumers.

"The new credit facility will allow us to capture more of the strong demand for alternative sources of consumer financing in the Canadian marketplace and continue growing our high margin easyfinancial business," said Steve Goertz, easyhome's Chief Financial Officer. "Crystal Financial, together with the other term lenders and CIBC, our corporate banking partner, have developed a flexible financing package that meets the needs of easyhome by providing additional capital to support the expected growth of our consumer finance business until the end of 2015 without the need for equity financing while reducing our interest costs."

The new credit facility, which expires on October 4, 2018, is comprised of a \$180 million term loan and a \$20 million revolving operating facility. The term loan is being arranged by Crystal Financial LLC on behalf of a syndicate consisting of Crystal Financial LLC and four other lenders. \$105 million of the term loan must be drawn at closing with the balance available in periodic advances until July 31, 2015. Borrowings under the term loan bear interest at the Canadian Bankers' Acceptance rate plus 722 bps (resulting in the current rate on the term debt improving by 1.48% from 9.97% to 8.49%). The revolving operating facility is being provided by CIBC and borrowings under the revolving operating facility bear interest at their prime rate plus 200 to 300 bps, depending on the Company's total debt to EBITDA ratio.

The new credit facility is secured by a first charge over substantially all of the assets of easyhome and its subsidiaries, contains certain positive, negative and financial covenants, and includes other usual and customary terms and conditions.



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“We are pleased to act as Administrative Agent and lead arranger on this new expanded term loan facility for easyhome,” said Steven Migliero, Senior Managing Director of Crystal Financial. “With this increased financing commitment, we believe the Company will continue to grow and maintain their industry leading position.” Added Christopher Arnold, Senior Managing Director of Crystal Financial, “The increased size and improved terms of the entire facility reflect our confidence in their business and the strength of the easyhome team, systems, operational procedures and risk management practices.”

Outlook

As a result of the access to additional capital and the strong growth of the easyfinancial consumer loans receivable portfolio, the Company has revised its loan book and sales growth targets. The Company now anticipates that the loan book will reach \$180 - \$190 million by the end of 2014. The Company also now anticipates that the previous target of a \$250 million loan book by the end of 2016 will be achieved at or before the end of 2015 and the Company is now targeting the loan book to grow to between \$320 and \$350 million by the end of 2016. Consequently, the Company has also revised its revenue growth targets for 2014 to 14% to 16% (from 10% to 12%).

“We are confident that our growth plans for easyfinancial, including our omni-channel strategy for the distribution of new loans, will enable us to achieve our loan book targets,” said Mr. Ingram. “This continued growth will enable easyfinancial to achieve its goal of becoming Canada’s largest provider of consumer loans as an alternative to traditional banks and payday lenders.”

About easyhome

easyhome Ltd. is the Canadian leader in providing goods and financial services to the cash and credit constrained consumer. easyhome Ltd. serves its customers through two key operating divisions, easyhome Leasing and easyfinancial. easyhome Leasing is Canada's largest merchandise leasing Company, offering top quality, brand-name household furnishings, appliances and home electronic products to consumers under weekly or monthly leasing agreements through both corporate and franchise stores. easyfinancial is a leading provider of consumer loans as an alternative to traditional banks and payday lenders. easyhome Ltd. is listed on the TSX under the symbol 'EH'. For more information, visit www.easyhome.ca.

About Crystal Financial

Crystal Financial LLC, a portfolio company of Solar Capital Ltd., is an independent commercial finance company that provides senior and junior secured loans for both asset-based and cash flow financings (minimum of \$10 million in fundings) to middle-market companies. Its team of experienced, responsive professionals has underwritten, closed and managed more than \$20 billion in secured debt commitments across a wide range of industries. For more information please visit www.crystalfinco.com.



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Forward-Looking Statements

This news release includes forward-looking statements about *easyhome* Ltd., including its business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as 'expects', 'anticipates', 'intends', 'plans', 'believes' or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future financial performance (including revenue, earnings or growth rates), ongoing business strategies or prospects about future events is also a forward-looking statement. Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations and business prospects and are inherently subject to, among other things, risks, uncertainties and assumptions about our operations, economic factors and the industry generally. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by us, due to, but not limited to important factors such as our ability to enter into new lease and/or financing agreements, collect on existing lease and/or financing agreements, open new locations on favourable terms, secure new franchised locations, purchase products which appeal to our customers at a competitive rate, cope with changes in legislation, react to uncertainties related to regulatory actions, raise capital under favourable terms, manage the impact of litigation (including shareholder litigation), control costs at all levels of the organization and maintain and enhance our system of internal controls. We caution that the foregoing list is not exhaustive. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements, which may not be appropriate for other purposes. We are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements whether as a result of new information, future events or otherwise, unless otherwise required by law.

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