

Equitable Bank receives commitments from all of Canada's big six banks for \$2 billion backstop secured funding facility

TORONTO, May 3, 2017 /CNW/ - Equitable Group Inc. (TSX: EQB and EQB.PR.C)

("Equitable" or the "Company") today confirmed that the syndicate of lenders supporting Equitable Bank's recently announced \$2 billion backstop secured funding facility has been expanded to include all six of Canada's largest banks. The syndicate now includes Bank of Montreal, CIBC, National Bank, The Royal Bank of Canada, Scotiabank and The Toronto-Dominion Bank.

"Bankers know the industry best and if all six of Canada's largest banks have the confidence to support Equitable Bank, it is evident that our customers, whether they be savers and depositors or borrowers should have similar confidence," said Andrew Moor, President and CEO of Equitable Bank. "Bankers value great corporate governance, strong internal controls, sound capital positions, risk and compliance awareness and ethical, diligent and prudent employees and that is what we have at Equitable as a Schedule I bank and member of the CDIC."

Mr. Moor thanked the leaders of all six banks, their executive teams and the employees involved in the detailed due diligence process "for their tremendous personal effort over a few short days to make such an enormous supply of backstop liquidity available to Equitable Bank. Beyond the capital and credit assessment, we have benefitted greatly from their wise advice and judgement over the past few days. We are members of a strong banking industry serving Canadians from coast to coast. Thank you."

On May 1, 2017, Equitable announced that it had received a letter of commitment for a \$2 billion backstop secured funding facility. The terms of the facility are as set out in the Company's news release dated May 1, 2017. The interest rate on the facility is competitive with the spreads on the Bank's most recent deposit note issuance and as such, if the facility is used, it will allow Equitable to continue growing profitably.

"We believe the mere presence of this facility sends a strong signal to the marketplace that Equitable has more than enough downside protection in place should last week's industry developments continue to make news in future periods," said Tim Wilson, Vice President and Chief Financial Officer. "As such, this is a prudent, proactive move on our part as the facility complements our proven, traditional sources of liquidity and funding."

ABOUT EQUITABLE GROUP INC.

Equitable Group Inc. is a growing Canadian financial services business that operates through its wholly-owned subsidiary, Equitable Bank. Equitable Bank is Canada's ninth largest independent Schedule I bank and offers a diverse suite of residential lending, commercial lending and savings solutions to Canadians. Through its proven branchless approach and customer service focus, Equitable Bank has grown to almost \$23 billion of Assets Under Management. Most recently, Equitable Bank launched a digital banking operation, *EQ Bank*, along with its flagship product the *EQ Bank Savings Plus Account*. Equitable Bank employs nearly 600 dedicated professionals across the country, and is a 2017 recipient of Canada's Best Employer Platinum Award, the highest bestowed by AON. For more information about Equitable Bank and its products, please visit equitablebank.ca.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements made by the Company in this news release, in other filings with Canadian securities regulators and in other communications include forward-looking statements within the meaning of applicable securities laws ("forward-looking statements"). These statements include, but are not limited to, statements about the Company's objectives, strategies and initiatives, financial result expectations and other statements made herein, whether with respect to the Company's businesses or the Canadian economy. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "planned", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved." Forward-looking statements are subject to known and unknown

risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to capital markets and additional funding requirements, fluctuating interest rates and general economic conditions, legislative and regulatory developments, the nature of our customers and rates of default, and competition as well as those factors discussed under the heading "Risk Management" in the Management's Discussion and Analysis and in the Company's documents filed on SEDAR at www.sedar.com. All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting the Company and the Canadian economy. Although the Company believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by the Company in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its mortgage business at current levels, a continuation of the current level of economic uncertainty that affects real estate market conditions, continued acceptance of its products in the marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

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