Equitable Group Reports Record Quarterly Results, Strong Credit Performance, and Increases Dividend

TORONTO, Nov. 8, 2018 /CNW/ - Equitable Group Inc. (TSX: EQB and EQB.PR.C) ("Equitable" or the "Company") today reported financial results for the three and nine months ended September 30, 2018 that reflected record performance of Equitable Bank (the "Bank"), its wholly owned subsidiary.

THIRD QUARTER HIGHLIGHTS

- **Diluted earnings per share** were $2.80, up 27% from $2.21 in the same period of 2017
- **Return on Shareholders' Equity** was 15.9% compared to 14.4% in Q3 2017
- **Single Family Lending mortgage principal** at September 30, 2018 was $10.2 billion, up 13% from $9.1 billion a year ago on strong originations and high renewal rates
- **Commercial Lending mortgage principal** at September 30, 2018 was $3.6 billion, up 27% from $2.9 billion a year ago reflecting record origination activity
- **Deposits** at September 30, 2018 were $12.9 billion, up 23% from $10.5 billion a year ago as the Bank grew its EQ Bank deposits to $2.1 billion, a 31% year-over-year increase
- **The Provision for Credit Losses ("PCL")** was $0.5 million or 0.01% of mortgage principal in Q3 2018, which reflects the credit quality of the Bank's assets
- **Common Equity Tier 1 Capital Ratio** was 13.8% compared to 14.8% at September 30, 2017 and remains above the levels of the other eight publicly listed Schedule I Canadian banks

DIVIDEND DECLARATIONS AND INCREASE

The Board of Directors today declared a dividend of $0.28 per common share, payable on January 3, 2019 to common shareholders of record at the close of business December 14, 2018. This represents a 12% increase over the dividend declared in November 2017 and a 4% increase over the dividend declared in August 2018. The Board also declared a quarterly dividend in the amount of $0.396875 per preferred share, payable on December 31, 2018, to preferred shareholders of record at the close of business on December 14, 2018.

COMMENTARY ON PERFORMANCE AND OUTLOOK

"Strong asset growth in all of the Bank's business lines, coupled with lower backstop facility costs yielded our best-ever quarterly earnings," said Andrew Moor, President and Chief Executive Officer. "With market uncertainty around B-20, we entered the year expecting portfolio growth in Alternative Single Family lending of 2% to 4%. As result of superior customer service we now expect growth in this portfolio of 11% to 13% in 2018 which creates a great foundation for future earnings. With the costs of our backstop facility being lower beginning this quarter, our ROE also better reflected the underlying value creation capability of our franchise."

Management expects earnings to continue increasing and ROE to be in the range of 15% in Q4, as a result of the Bank's growing loan portfolio and stable margins. ROE will still be below our 10-year average of 17.2% due to ongoing costs associated with successfully navigating through funding market disruptions that occurred in 2017 (see the Company's Q1 and Q2 2017 MD&As), a high level of common equity capital, and investments in key strategic initiatives. Management's complete business outlook can be found in Management's Discussion and Analysis for the three and nine months ended September 30, 2018 which is available on SEDAR and on Equitable's website.

GROWTH AND DIVERSIFICATION IN SECURED LENDING

Equitable continues to expand its position as *Canada's Challenger Bank*™. In Commercial Lending, the Bank recently established programs to finance other specialist lenders' activities in attractive markets such as equipment leasing. In addition, it began lending on CMHC-insured construction projects. Similarly, the *PATH Home Plan™*, introduced earlier this year, established Equitable as one of only two lenders in the growing reverse mortgage market. Recently, Equitable committed to invest in a new Portag3 Ventures fund, furthering our role as *Canada's Challenger Bank™* by supporting the fintech ecosystem and building strategic partnerships with these businesses as they scale and flourish. Equitable believes that investing in this way allows start-ups and incumbents to work together and learn from each other in a symbiotic relationship.

SUSAN ERICKSEN APPOINTED TO BOARD OF DIRECTORS

The Board of Directors of Equitable Group is pleased to announce the appointment ofSusan Ericksen as a Director, effective immediately. Ms. Ericksen is an expert in the design, development, implementation and management of innovative, large-scale technologies and technology workforces. She has had a distinguished 35-year career with Fortune 500 companies, serving most recently as Managing Director, Global Technology Operations for The Coca-Cola Company in Atlanta, where she was responsible for worldwide information technology operations in 193 countries. Before that, she was Chief Technology Officer for Fiserv, Inc., a global leader in the development of financial technology solutions used by more than 12,000 financial institutions and corporate customers. Ms. Ericksen's financial services experience is extensive. She served as Chief Information Officer or Chief Technology Officer at New York Life (one of the largest life insurance companies in the United States), Merrill Lynch Bank and Trust, Merrill Lynch Bank USA, CitiFinancial, and Citi Cards. Ms. Ericksen holds a Master of Science (Computer Science) from the University of Colorado and a Bachelor of Arts (Business Administration) from Mount St. Mary's College, Los Angeles.

CONFERENCE CALL AND WEBCAST

Equitable will hold its third quarter conference call and webcast at 8:30 a.m. eastern Friday November 9, 2018. To access the call live, please dial (416) 764-8609 five minutes prior. The listen-only webcast with accompanying slides will be available at www.equitablebank.ca under Investor Relations. The call will be hosted by Andrew Moor, President and Chief Executive Officer.

A replay of the call will be available until November 16, 2018 and it can be accessed by dialing (416) 764-8677 and entering passcode 451647 followed by the number sign. Alternatively, the call will be archived on the Company's website for three months.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS (unaudited)
AS AT SEPTEMBER 30, 2018
With comparative figures as at December 31, 2017 and September 30, 2017
($ THOUSANDS)

	September 30, 2018[1]	December 31, 2017	September 30, 2017
Assets:			
Cash and cash equivalents	**$ 755,952**	$ 660,930	$ 724,314
Restricted cash	**359,283**	366,038	397,365
Investments	**159,034**	107,442	112,255
Mortgages receivable – Core Lending	**13,873,668**	12,304,741	11,921,274
Mortgages receivable – Securitization Financing	**7,797,670**	6,993,807	6,866,074
Securitization retained interests	**111,202**	104,429	102,715
Other assets	**90,805**	96,863	97,208
	$ 23,147,614	$ 20,634,250	$ 20,221,205
Liabilities and Shareholders' Equity			
Liabilities:			
Deposits	**$ 13,021,485**	$ 11,114,313	$ 10,594,205
Securitization liabilities	**8,175,776**	7,565,545	7,730,776
Obligations under repurchase agreements	**299,028**	452,001	316,087
Deferred tax liabilities	**38,990**	35,802	31,869
Other liabilities	**178,946**	199,601	191,289
Bank facilities	**173,514**	128,871	193,654
Debentures	**-**	-	65,000
	21,887,739	19,496,133	19,122,880
Shareholders' equity:			
Preferred shares	**72,557**	72,557	72,557
Common shares	**200,760**	198,660	197,488
Contributed surplus	**6,707**	6,012	5,870
Retained earnings	**980,272**	866,109	830,976
Accumulated other comprehensive loss	**(421)**	(5,221)	(8,566)
	1,259,875	1,138,117	1,098,325
	$ 23,147,614	$ 20,634,250	$ 20,221,205

(1) *The amounts for the period ended September 30, 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated.*

CONSOLIDATED STATEMENTS OF INCOME (unaudited)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2018

With comparative figures for the three and nine month periods ended September 30, 2017

($THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Three months ended		Nine months ended	
	September 30, 2018(1)	September 30, 2017	**September 30, 2018(1)**	September 30, 2017
Interest income:				
Mortgages – Core Lending	**$ 164,775**	$ 129,372	**$ 461,413**	$ 376,934
Mortgages – Securitization Financing	**50,701**	43,368	**141,640**	133,480
Investments	**1,496**	65	**4,042**	3,563
Other	**4,964**	4,296	**12,932**	7,339
	221,936	177,101	**620,027**	521,316
Interest expense:				
Deposits	**77,908**	54,004	**209,584**	150,815
Securitization liabilities	**47,581**	43,647	**135,968**	129,959
Bank facilities	**3,423**	6,536	**20,685**	9,027
Debentures	**-**	950	**-**	2,850
	128,912	105,137	**366,237**	292,651
Net interest income	**93,024**	71,964	**253,790**	228,665
Provision for credit losses	**517**	40	**1,455**	1,156
Net interest income after provision for credit losses	**92,507**	71,924	**252,335**	227,509
Other income:				
Fees and other income	**4,843**	7,492	**16,767**	22,149
Net gain/(loss) on investments	**131**	(100)	**(101)**	(888)
Gains on securitization activities and income from securitization retained interests	**5,500**	4,797	**11,461**	11,263
	10,474	12,189	**28,127**	32,524
Net interest and other income	**102,981**	84,113	**280,462**	260,033
Non-interest expenses:				
Compensation and benefits	**19,406**	16,495	**57,041**	49,385
Other	**18,391**	15,147	**53,089**	46,572
	37,797	31,642	**110,130**	95,957
Income before income taxes	**65,184**	52,471	**170,332**	164,076
Income taxes:				
Current	**17,124**	15,773	**43,848**	39,860
Deferred	**254**	(1,171)	**974**	4,045
	17,378	14,602	**44,822**	43,905
Net income	**$ 47,806**	$ 37,869	**$ 125,510**	$ 120,171
Dividends on preferred shares	**1,191**	1,191	**3,573**	3,573
Net income available to common shareholders	**$ 46,615**	$ 36,678	**$ 121,937**	$ 116,598
Earnings per share:				
Basic	**$ 2.82**	$ 2.23	**$ 7.38**	$ 7.08
Diluted	**$ 2.80**	$ 2.21	**$ 7.33**	$ 7.03

(1) *The amounts for the period ended September 30, 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated.*

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2018

With comparative figures for the three and nine month periods ended September 30, 2017

($ THOUSANDS)

	Three months ended		Nine months ended	
	September 30, 2018(1)	September 30, 2017	**September 30, 2018(1)**	September 30, 2017

Net income	**$ 47,806**	$ 37,869	**$ 125,510**	$ 120,171
Other comprehensive income – items that will be reclassified subsequently to income:				
Debt instruments at Fair Value through Other Comprehensive Income/Available for sale:				
Net unrealized (losses)/gains from change in fair value	**(4)**	1,755	**(30)**	11,835
Reclassification of net losses to income	**17**	11	**17**	412
Other comprehensive income – items that will not be reclassified subsequently to income:				
Equity instruments designated at Fair Value through Other Comprehensive Income:				
Net unrealized losses from change in fair value	**831**	N/A	**603**	N/A
Reclassification of net losses to retained earnings	**14**	N/A	**8**	N/A
	858	1,766	**598**	12,247
Income tax expense	**(228)**	(469)	**(159)**	(3,221)
	630	1,297	**439**	9,026
Cash flow hedges*:*				
Net unrealized gains from change in fair value	**3,533**	3,501	**2,564**	5,333
Reclassification of net (gains)/losses to income	**(4)**	758	**1,441**	2,086
	3,529	4,259	**4,005**	7,419
Income tax expense	**(936)**	(1,131)	**(1,062)**	(2,028)
	2,593	3,128	**2,943**	5,391
Total other comprehensive income	**3,223**	4,425	**3,382**	14,417
Total comprehensive income	**$ 51,029**	$ 42,294	**$ 128,892**	$ 134,588

(1) *The amounts for the period ended September 30, 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated.*

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2018

With comparative figures for the three month period ended September 30, 2017

($ THOUSANDS)

					Accumulated other comprehensive income (loss)			
September 30, 2018	**Preferred shares**	**Common shares**	**Contributed surplus**	**Retained earnings**	**Cash flow hedges**	**Financial instruments at FVOCI(1)**	**Total**	**Total**
Balance, beginning of period	**$ 72,557**	**$ 199,305**	**$ 6,612**	**$ 938,122**	**$ 3,503**	**$ (7,147)**	**$ (3,644)**	**$ 1,212,952**
Net income	**-**	**-**	**-**	**47,806**	**-**	**-**	**-**	**47,806**
Other comprehensive income, net of tax	**-**	**-**	**-**	**-**	**2,593**	**630**	**3,223**	**3,223**
Exercise of stock options	**-**	**1,229**	**-**	**-**	**-**	**-**	**-**	**1,229**
Dividends:								
Preferred shares	**-**	**-**	**-**	**(1,191)**	**-**	**-**	**-**	**(1,191)**
Common shares	**-**	**-**	**-**	**(4,465)**	**-**	**-**	**-**	**(4,465)**
Stock-based compensation	**-**	**-**	**321**	**-**	**-**	**-**	**-**	**321**
Transfer relating to the exercise of stock options	**-**	**226**	**(226)**	**-**	**-**	**-**	**-**	**-**
Balance, end of period	**$ 72,557**	**$ 200,760**	**$ 6,707**	**$ 980,272**	**$ 6,096**	**$ (6,517)**	**$ (421)**	**$ 1,259,875**

					Accumulated other comprehensive income (loss)			
September 30, 2017	Preferred shares	Common shares	Contributed surplus	Retained earnings	Cash flow hedges	Available for sale investments	Total	Total
Balance, beginning of period	$ 72,557	$ 197,439	$ 5,594	$ 798,253	$ (510)	$ (12,481)	$ (12,991)	$ 1,060,852
Net income	-	-	-	37,869	-	-	-	37,869
Other comprehensive income, net of tax	-	-	-	-	3,128	1,297	4,425	4,425

Exercise of stock options	-	40	-	-	-	-	-	40
Dividends:								
Preferred shares	-	-	-	(1,191)	-	-	-	(1,191)
Common shares	-	-	-	(3,955)	-	-	-	(3,955)
Stock-based compensation	-	-	285	-	-	-	-	285
Transfer relating to the exercise of stock options	-	9	(9)	-	-	-	-	-
Balance, end of period	$ 72,557	$ 197,488	$ 5,870	$ 830,976	$ 2,618	$ (11,184)	$ (8,566)	$ 1,098,325

(1) Current period balance is classified as at FVOCI for debt and equity instruments, however, balance at the beginning of the period is classified as Available for Sale under IAS 39.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (unaudited)

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018

With comparative figures for the nine month period ended September 30, 2017

($ THOUSANDS)

					Accumulated other comprehensive income (loss)			
September 30, 2018	**Preferred shares**	**Common shares**	**Contributed surplus**	**Retained earnings**	**Cash flow hedges**	**Financial instruments at FVOCI(1)**	**Total**	**Total**
Balance, beginning of period	**$ 72,557**	**$ 198,660**	**$ 6,012**	**$ 866,109**	**$ 3,153**	**$ (8,374)**	**$ (5,221)**	**$ 1,138,117**
Cumulative effect of adopting IFRS 9(2)	**-**	**-**	**-**	**5,450**	**-**	**1,418**	**1,418**	**6,868**
Restated balance as at January 1, 2018	**72,557**	**198,660**	**6,012**	**871,559**	**3,153**	**(6,956)**	**(3,803)**	**1,144,985**
Net income	**-**	**-**	**-**	**125,510**	**-**	**-**	**-**	**125,510**
Other comprehensive income, net of tax	**-**	**-**	**-**	**-**	**2,943**	**439**	**3,382**	**3,382**
Net realized losses on sale of equity investments	**-**	**-**	**-**	**(6)**	**-**	**-**	**-**	**(6)**
Exercise of stock options	**-**	**1,754**	**-**	**-**	**-**	**-**	**-**	**1,754**
Dividends:								
Preferred shares	**-**	**-**	**-**	**(3,573)**	**-**	**-**	**-**	**(3,573)**
Common shares	**-**	**-**	**-**	**(13,218)**	**-**	**-**	**-**	**(13,218)**
Stock-based compensation	**-**	**-**	**1,041**	**-**	**-**	**-**	**-**	**1,041**
Transfer relating to the exercise of stock options	**-**	**346**	**(346)**	**-**	**-**	**-**	**-**	**-**
Balance, end of period	**$ 72,557**	**$ 200,760**	**$ 6,707**	**$ 980,272**	**$ 6,096**	**$ (6,517)**	**$ (421)**	**$ 1,259,875**

					Accumulated other comprehensive income (loss)			
September 30, 2017	Preferred shares	Common shares	Contributed surplus	Retained earnings	Cash flow hedges	Available for sale investments	Total	Total
Balance, beginning of period	$ 72,557	$ 196,608	$ 5,056	$ 725,912	$ (2,773)	$ (20,210)	$ (22,983)	$ 977,150
Net income	-	-	-	120,171	-	-	-	120,171
Other comprehensive income, net of tax	-	-	-	-	5,391	9,026	14,417	14,417
Exercise of stock options	-	737	-	-	-	-	-	737
Dividends:								
Preferred shares	-	-	-	(3,573)	-	-	-	(3,573)
Common shares	-	-	-	(11,534)	-	-	-	(11,534)
Stock-based compensation	-	-	957	-	-	-	-	957
Transfer relating to the exercise of stock options	-	143	(143)	-	-	-	-	-
Balance, end of period	$ 72,557	$ 197,488	$ 5,870	$ 830,976	$ 2,618	$ (11,184)	$ (8,566)	$ 1,098,325

(1) Current period balance is classified as at FVOCI for debt and equity instruments, however, balance at the beginning of the period is classified as Available for Sale under IAS 39.

CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

FOR THE THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2018

With comparative figures for the three and nine month periods ended September 30, 2017

($ THOUSANDS)

	Three months ended		Nine months ended	
	September 30, 2018[1]	September 30, 2017	**September 30, 2018[1]**	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period	**$ 47,806**	$ 37,869	**$ 125,510**	$ 120,171
Adjustments for non-cash items in net income:				
Financial instruments at fair value through income	**(416)**	640	**(4,136)**	1,989
Amortization of premiums/discount on investments	**1,873**	2,775	**6,410**	7,559
Amortization of capital assets and intangible costs	**2,431**	2,343	**7,190**	6,516
Provision for credit losses	**517**	40	**1,455**	1,156
Securitization gains	**(5,500)**	(2,504)	**(11,461)**	(8,791)
Net loss on sale or redemption of investments	**-**	100	**-**	888
Stock-based compensation	**321**	285	**1,041**	957
Income taxes	**17,378**	14,602	**44,822**	43,905
Securitization retained interests	**7,055**	6,479	**20,755**	18,088
Changes in operating assets and liabilities:				
Restricted cash	**(11,998)**	14,671	**6,755**	(149,487)
Securities purchased under reverse repurchase agreements	**-**	-	**-**	199,401
Mortgages receivable, net of securitizations	**(1,214,589)**	(532,881)	**(2,366,993)**	(1,029,493)
Other assets	**(3,138)**	6,849	**12,118**	(12,697)
Deposits	**544,511**	499,201	**1,909,474**	837,681
Securitization liabilities	**591,449**	(19,227)	**610,542**	(30,901)
Obligations under repurchase agreements	**96,101**	(112,898)	**(152,972)**	203,599
Bank facilities	**(77,297)**	51,839	**44,643**	143,654
Other liabilities	**(5,733)**	(37,099)	**(25,879)**	(28,381)
Income taxes paid	**(15,485)**	(10,709)	**(49,183)**	(48,330)
Cash flows (used in)/from operating activities	**(24,714)**	(77,625)	**180,091**	277,484
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid on preferred shares	**(1,191)**	(1,191)	**(3,573)**	(3,573)
Dividends paid on common shares	**(4,461)**	(3,955)	**(12,879)**	(14,977)
Proceeds from issuance of common shares	**1,229**	40	**1,754**	737
Cash flows used in financing activities	**(4,423)**	(5,106)	**(14,698)**	(17,813)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	**(4,847)**	-	**(57,469)**	(40,462)
Proceeds on sale or redemption of investments	**-**	76	**45**	70,219
Net change in Canada Housing Trust re-investment Accounts	**(12)**	12	**26**	239
Purchase of capital assets and system development costs	**(3,740)**	(4,508)	**(12,973)**	(9,532)
Cash flows (used in)/from investing activities	**(8,599)**	(4,420)	**(70,371)**	20,464
Net (decrease)/increase in cash and cash equivalents	**(37,736)**	(87,151)	**95,022**	280,135
Cash and cash equivalents, beginning of period	**793,688**	811,465	**660,930**	444,179
Cash and cash equivalents, end of period	**$ 755,952**	$ 724,314	**$ 755,952**	$ 724,314
Cash flows from operating activities include:				
Interest received	**$ 210,403**	$ 174,746	**$ 601,246**	$ 520,521
Interest paid	**(67,545)**	(92,216)	**(211,782)**	(250,221)
Dividends received	**1,517**	1,112	**4,091**	3,571

[1] The amounts for the period ended September 30, 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated.

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, *Canada's Challenger Bank™*, is the country'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 over $27 billion of Assets Under Management. *EQ Bank*, the digital banking arm of Equitable Bank, provides state-of-the-art digital banking services to more than 66,000 Canadians. Equitable Bank employs more than 650 dedicated professionals across the country, and is a 2019 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 the sections of 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 performance 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", or other similar expressions of future or conditional verbs. 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, changes in accounting standards, 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, 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.

NON-GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP") FINANCIAL MEASURES

This news release references certain non-GAAP measures such as Return on Shareholders' Equity, provision for credit losses rate, Common Equity Tier 1 Capital Ratio, Mortgages Under Management, and Assets Under Management that management believes provide useful information to investors regarding the Company's financial condition and results of operations. The "NON-GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP") FINANCIAL MEASURES" section of the Company's third quarter 2018 Management's Discussion and Analysis provides a detailed description of each non-GAAP measure and should be read in conjunction with this release. The Management's Discussion and Analysis also provides a reconciliation between all non-GAAP measures and the most directly comparable GAAP measure, where applicable. Readers are cautioned that non-GAAP measures often do not have any standardized meaning, and therefore, may not be comparable to similar measures presented by other companies.

SOURCE Equitable Group Inc.

For further information: Andrew Moor, President and Chief Executive Officer, 416-515-7000; Tim Wilson, Senior Vice President and Chief Financial Officer, 416-515-7000
