Equitable Reports Record Full-Year and Q4 2020 Earnings

Canada's Challenger Bank™ Continues Growth and Diversification Trend

TORONTO, Feb. 22, 2021 /CNW/ - Equitable Group Inc. (TSX: EQB) (TSX: EQB.PR.C) today reported all-time record fourth quarter and annual earnings for the period ended December 31, 2020 that reflected deliberate steps taken by Equitable Bank ("Canada's Challenger Bank™) to enrich people's lives and position itself for above-market value creation in the years ahead, while helping those in need during the pandemic.

Q4 Earnings Best Ever

- Q4 diluted EPS up 29% y/y to $4.13 from $3.21 (and up 24% to $3.98 adjusted[1,2])
- Q4 ROE 18.2% (17.5% adjusted), up from 15.9% (15.9% adjusted[1]) in Q4 2019

High-Quality Asset Growth with Leading Efficiency and Strong Risk Management

- Loans Under Management up 7% to $33.3 billion
- Q4 loan originations up 18% y/y to $3.2 billion
- CET1 Ratio 14.6%, above last year by 1.0%
- Strong YTD Operating Leverage[2] at +4.7% y/y

2020 Earnings Best Ever

- 2020 diluted EPS up 8% to $12.95 from $11.97 in 2019 (and up 3% to $12.66 adjusted[1,2])
- 2020 ROE 14.8% (14.5% adjusted[1]) compared to 15.5% (15.9% adjusted[1,2]) in 2019
- Book value up 12% or $10.29 to $93.35 per share (and up $4.10 in Q4)

2020 Caps Decade of Superior Performance

- EPS CAGR 10.9% and 14.0% over 5 and 10 years
- ROE 15.4% and 16.6% over 5 and 10 years
- Book value CAGR 14.9% and 15.4% over 5 and 10 years
- Loans Under Management CAGR 14.8% and 15.1% over 5 and 10 years

"Equitable now serves over a quarter million Canadians who look to us to deliver a better experience through our growing best-in-class digital bank platform and our diverse personal and commercial banking services. In 2020, motivated by our purpose to enrich people's lives, we made significant strides in all of these areas. For EQ Bank, new digital account openings increased 82%, deposits soared 71% and customer engagement measured by regular monthly service usage grew on the strength of new, high-value services. Momentum has continued into 2021 as account openings are increasing by the hundreds every day. Our lending businesses also produced great results with strong growth momentum and market share gains capping the year. With high-quality assets under management of almost $36 billion, twice as large as it was five years ago, and the built-in cost advantage of our digital, branchless operation, Equitable set earnings records for the year and in each of the last two quarters. With good reason, we believe Canada's Challenger Bank has a very bright future," said Andrew Moor, President and Chief Executive Officer.

1 Excludes net mark-to-market gains on certain security investments, loans, and derivative positions of $3.5 million and $6.6 million in Q4 2020 and full year 2020, respectively.
2 See Non-Generally Accepted Accounting Principles Financial Measures.

EQ Bank Momentum Continues with Over 185,000 Customers and $5 Billion in Deposits in Early 2021

- Our customer base grew 82% in 2020 to 173,000 with 24,500 new accounts opened in Q4, and today is now over 185,000.
- During 2020, EQ Bank deposits increased 71% to $4.6 billion and since year end momentum continues as customers have now entrusted over $5 billion to our all-digital platform as of February 10, 2021.

Equitable Bank's Total Deposits and Sources of Funding Grow and Diversify

- Equitable Bank's total deposits were up 8% to $16.4 billion from $15.2 billion a year ago.
- New sources of deposits included U.S. currency GICs and high interest savings accounts, as well as EQ Bank joint accounts, RSPs, TSFAs and long term GICs.
- Equitable Bank's Deposit Note Program grew to $800 million on the strength of two issuances in 2020. The most recent issuance was the largest in our history at $250 million and extended the tenor of the program to 5 years. The deal was very well supported with a broad investor base that included 38 investors and was issued at a highly favourable cost of 145 basis points over the interpolated Government of Canada curve.
- Equitable intends to continue with more deposit note issuances in 2021.

Personal and Commercial Banking Add Quality Assets in Diversified Markets

- Total originations were up 37% in Q4 to $3.2 billion, reflecting a more constructive posture to underwriting compared to Q2 and Q3.
- Q4 Prime loan originations were ahead of last year by 87% and up 63% from Q3 as the Bank continued to build its franchise in the insured market, while alternative lending originations were 69% higher than Q3 and 2% above last year as the Bank's lending appetite increased late in the year reflecting resilient markets.
- Q4 Commercial originations were 8% ahead of Q3 and 2% above last year driven by insured multi-unit residential loans and equipment leases.
- Assets under management were up 9% year over year (and 1% from Q3) to $35.9 billion in 2020 for a 5-year CAGR of 15.3% as growth was achieved in the insured lending market driven by prime and multi-unit residential loans across Canada.

Credit Metrics Reflect Long-Term Prudence, Q4 Reserve Releases $2.8 Million

- Reserve releases amounted to $2.8 million in Q4 (or $0.12 per share), reflecting an improvement in macroeconomic forecasts used for loss modelling and the large provision for credit losses taken in Q1.

- Provision for credit losses ("PCL") was $42.3 million in 2020 (Q4 2020 – $0.1 million), compared to $18.4 million in 2019 (Q4 2019 – $3.9 million) as future expected losses resulting from the pandemic were recorded in Q1 and Q2 2020. Economic forecasts have improved since mid-year but remain weak in light of uncertainty that persists in the near term and despite projected strengthening of the economy in the second half of 2021. Equitable remains well reserved for credit losses with allowances as a percentage of total assets equaling 23 bps at year-end compared to 14 bps a year ago and 27 bps at the end of Q2 2020.
- Stage 3 allowances at $3.5 million have dropped by $0.4 million in the quarter and $1.5 million or 30% since the prior year.
- Realized losses remained low for Q4 at $3.3 million or 4 basis points relative to our total assets, $13.0 million or 4 bps for the year.

Loan Deferrals Helped Customers Regain Financial Strength

- Active loan deferrals granted to customers to help them cope with the pandemic were down to only 0.3% of the total loan portfolio at year end compared to 20% at their peak earlier in the year.
- Borrowers who have returned to regular payment status are experiencing delinquency rates that are comparable to those borrowers who did not take any payment deferrals.

Strengthened Capital and Liquidity Positions Provide Protection, Growth Capacity

- The Bank's CET1 Capital Ratio of 14.6% at year-end 2020 exceeded the top end of management's target range and compared favourably with 14.3% at September 30, 2020 and 13.6% a year ago.
- Liquid assets were $2.9 billion or 9.5% of total assets at December 31, 2020 compared to $1.7 billion or 6.0% of assets at year-end 2019.
- Reflecting the strength of the Bank's liquidity position and its ability to support continued growth, management terminated the Bank's $400 million secured backstop liquidity facility effective December 11, 2020, which will reduce costs by $0.03 per share quarterly in 2021.

Our Newest Challenger Bank Services Create More Growth Potential for 2021

- EQ Bank's newest services include the EQ Bank Tax Free Savings Account, EQ Bank RSP Savings Account and EQ Bank Joint Savings Plus Account – all offering superior interest, no fees and the no-hassle convenience of online account openings and all attracting significant new deposits while helping Canadian savers.
- In partnership with Transferwise, EQ Bank added 20 new currencies to its international money transfer service which serves as a popular platform for customers who appreciate the dual advantage of speed and cost with transfers are up to 8 times[1] less expensive than traditional alternatives.
- Equitable Bank added U.S. Currency GICs and the Equitable Bank U.S. High Interest Savings Account to challenge the limited offerings available in the advisor channel for the benefit of Canadians wishing to save in U.S. dollars.
- Equitable Bank's Decumulation Business created the *Reverse Mortgage Flex Program* to serve homeowners who wish to access more of their hard-earned equity, and coupled with the introduction of a new reverse mortgage closing process, and growth in its CSV products, increased assets almost three-fold y/y. (Subsequent to year end, the Bank announced a new arrangement with Coast Capital Savings Federal Credit Union to bring the Equitable Bank Reverse Mortgage to its members.)
- Equitable Bank's Specialized Finance Group added secured financing solutions to specialty lenders and grew its assets by 21%.

1 Based on research conducted by Equitable comparing exchange rates and transaction fees from TransferWise, Canada's 'Big 5' banks and Simplii Financial. Research considered comparable online global money transfer services and was conducted using the following transactions for both $500 CAD and $999 CAD: total cost to send CAD to INR in India, total cost to send CAD to USD in the United States and total cost to send CAD to EUR in France. Research took place on October 19, 2020. Promotions excluded.

Equitable's Culture and Challenger Bank Innovations Earn Recognition

- Equitable Bank was chosen one of Canada's Best Workplaces™ in Financial Services and Insurance in Q4 2020.
- EQ Bank won three awards in 2020: Co-winner of IBS Intelligence's Best Fintech Innovation Award in the cloud deployment category, Celent Model Bank Award in the banking-in-the cloud category and Ratehub.ca's Personal Finance Award for having Canada's top high-interest savings account.

Governance Excellence, Strong Sustainability Focus

- Equitable's invested, experienced Board of Directors appointed two new members in the fourth quarter, Diane Giard and Yongah Kim. During her career, Ms. Giard served as Executive Vice-President of National Bank and Senior Vice-President of Scotiabank, while Ms. Kim is Associate Professor of Strategic Management at The Rotman School of Management and a former Senior Partner at McKinsey & Company where she consulted major financial services companies. With these appointments, 42% of Equitable's Board is comprised of women.
- Through governance strategies and everyday actions, Equitable is focused on becoming a sustainability leader in Canadian banking. The Bank's commitment to sustainability is reflected in: no-fee bank accounts; financial services offered to underbanked communities; employee diversity and inclusion; generous support for its community partners; environmental management and the low carbon footprint afforded by its digital, branchless business model; and, service to customers who are also considered low carbon emitters. With the leadership of its Board of Directors and Management Committee, Equitable intends to build on all facets of its Sustainability program in 2021.

Equitable's Five- and 10-Year Total Shareholder Return Exceeds All Other Canadian Banks

- Equitable delivered Total Shareholder Return of 145% over the past five years, and 408% over the past decade, the highest of all the banks listed on the S&P/TSX Composite Index, reflecting its superior ROE performance driven by the long-term advantages of its shareholder value creation method, focus on risk-managed assets and digital, non-branch business model.

Board of Directors Declares Dividends for First Quarter 2021

- Dividend of $0.37 per common share will be paid on March 31, 2021 to common shareholders of record at the close of business March 15, 2021 – a payout ratio of 9%.
- Dividend of $0.373063 per preferred share will be paid on March 31, 2021 to preferred shareholders of record at the close of business on March 15, 2021.
- Dividend rate was unchanged from 2020 reflecting regulatory guidance from OSFI to all federally regulated banks.

Reaffirming Confidence in Medium-Term Growth Objectives

- Equitable is reaffirming its medium-term growth and performance objectives which are found, along with its 2021 outlook, in its MD&A for the fourth quarter.

"In 2021, Equitable is well positioned to continue driving positive change in the banking industry as the country's one and only Challenger Bank," said Mr. Moor. "Our 2021 product roadmap is our most exciting ever with plans to introduce more wealth solutions, more decumulation partnerships, additional EQ Bank services including a digital loan solution and everyday access card, and we will continue to diversify our sources of funding with the launch of our covered bond program in Europe in the first half of the year. In every case, we will design our offerings in ways that improve the everyday banking experience for our customers as we deploy capital efficiently and safely to sustain our track record of superior shareholder value creation."

Analyst Conference Call, Webcast: 10:00 a.m. Eastern Tuesday, February 23, 2021

Equitable's Andrew Moor, President and Chief Executive Officer, Chadwick Westlake, Chief Financial Officer and Ron Tratch, Chief Risk Officer will host the fourth quarter conference call and webcast. To access the call live, please dial (647) 427-7450 five minutes prior to the start time.

The listen-only webcast with accompanying slides will be available at:
eqbank.investorroom.com/events-webcasts.

A replay of the call will be available until March 2, 2021 at midnight at (416) 849-0833 (passcode 2139707 followed by the number sign). Alternatively, the webcast will be archived on the Bank's website.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

($000's)

As at December 31	**2020**	2019
Assets		
Cash and cash equivalents	**$ 557,743**	$ 508,853
Restricted cash	**504,039**	462,992
Securities purchased under reverse repurchase agreements	**450,203**	150,069
Investments	**589,876**	362,611
Loans – Personal[1]	**19,445,386**	18,359,805
Loans – Commercial	**8,826,182**	8,248,025
Securitization retained interests	**184,844**	139,009
Other assets	**188,045**	161,088
	$ 30,746,318	$ 28,392,452
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits	**$ 16,585,043**	$ 15,442,207
Securitization liabilities	**11,991,964**	10,706,956
Obligations under repurchase agreements	**251,877**	507,044
Deferred tax liabilities	**60,880**	54,689
Other liabilities	**208,852**	213,842
	29,098,616	26,924,738
Shareholders' Equity:		
Preferred shares	**72,477**	72,557
Common shares	**218,166**	213,277
Contributed surplus	**8,092**	6,973
Retained earnings	**1,387,919**	1,193,493
Accumulated other comprehensive loss	**(38,952)**	(18,586)
	1,647,702	1,467,714
	$ 30,746,318	$ 28,392,452

(1) The Bank has changed the title of one of its Loan product from "Loans – Retail" to "Loans – Personal". This change is to align the naming convention used internally by the business. There is no change to the numbers being reported under these line items.

CONSOLIDATED STATEMENTS OF INCOME

($000's, except per share amounts)

Years ended December 31	**2020**	2019
Interest income:		
Loans – Personal	**$ 690,865**	$ 685,964

Loans – Commercial	**401,917**	395,860
Investments	**12,388**	8,671
Other	**16,495**	26,315
	1,121,665	1,116,810
Interest expense:		
Deposits	**364,047**	385,197
Securitization liabilities	**250,690**	256,364
Bank facilities	**5,355**	7,319
Other	**4,167**	5,282
	624,259	654,162
Net interest income	**497,406**	462,648
Non-interest income(1):		
Fees and other income	**22,589**	23,855
Net gain (loss) on loans and investments	**7,221**	(973)
Gains on securitization activities and income from securitization retained interests	**29,617**	11,534
	59,427	34,416
Revenue	**556,833**	497,064
Provision for credit losses	**42,280**	18,394
Revenue after provision for credit losses	**514,553**	478,670
Non-interest expenses:		
Compensation and benefits	**108,185**	101,651
Other	**105,875**	97,922
	214,060	199,573
Income before income taxes	**300,493**	279,097
Income taxes:		
Current	**70,498**	73,877
Deferred	**6,191**	(1,259)
	76,689	72,618
Net income	**$ 223,804**	$ 206,479
Dividends on preferred shares	**4,477**	4,691
Net income available to common shareholders	**$ 219,327**	$ 201,788
Earnings per share		
Basic	**$ 13.04**	$ 12.10
Diluted	**$ 12.95**	$ 11.97

(1) *Effective January 1, 2020, the Bank has changed the presentation of its non-interest income. Prior year presentation has been updated accordingly.*

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

($000's)

Years ended December 31	**2020**	2019
Net income	**$ 223,804**	$ 206,479
Other comprehensive income – items that will be reclassified subsequently to income		
Debt instruments at Fair Value through Other Comprehensive Income:		
Net unrealized gains from change in fair value	**4,350**	554
Reclassification of net gains to income	**(1,185)**	(315)
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	**(3,411)**	(1,320)
Reclassification of net gains to retained earnings	**-**	(638)
	(246)	(1,719)
Income tax recovery	**64**	457
	(182)	(1,262)
Cash flow hedges:		
Net unrealized losses from change in fair value	**(27,028)**	(894)

Reclassification of net gains to income	**(378)**	(2,388)
	(27,406)	(3,282)
Income tax recovery	**7,222**	874
	(20,184)	(2,408)
Total other comprehensive loss	**(20,366)**	(3,670)
Total comprehensive income	**$ 203,438**	$ 202,809

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

($000's)

								2020
					Accumulated other comprehensive income (loss)			
	Preferred shares	**Common shares**	**Contributed surplus**	**Retained earnings**	**Cash flow hedges**	**Financial instruments at FVOCI**	**Total**	**Total**
Balance, beginning of year	**$ 72,557**	**$ 213,277**	**$ 6,973**	**$ 1,193,493**	**$ 241**	**$ (18,827)**	**$ (18,586)**	**$ 1,467,714**
Net income	**-**	**-**	**-**	**223,804**	**-**	**-**	**-**	**223,804**
Other comprehensive loss, net of tax	**-**	**-**	**-**	**-**	**(20,184)**	**(182)**	**(20,366)**	**(20,366)**
Exercise of stock options	**-**	**4,122**	**-**	**-**	**-**	**-**	**-**	**4,122**
Purchase of treasury preferred shares	**(80)**	**-**	**-**	**-**	**-**	**-**	**-**	**(80)**
Net loss on cancellation of treasury preferred shares	**-**	**-**	**-**	**(2)**	**-**	**-**	**-**	**(2)**
Dividends:								
Preferred shares	**-**	**-**	**-**	**(4,477)**	**-**	**-**	**-**	**(4,477)**
Common shares	**-**	**-**	**-**	**(24,899)**	**-**	**-**	**-**	**(24,899)**
Stock-based compensation	**-**	**-**	**1,886**	**-**	**-**	**-**	**-**	**1,886**
Transfer relating to the exercise of stock options	**-**	**767**	**(767)**	**-**	**-**	**-**	**-**	**-**
Balance, end of year	**$ 72,477**	**$ 218,166**	**$ 8,092**	**$ 1,387,919**	**$ (19,943)**	**$ (19,009)**	**$ (38,952)**	**$ 1,647,702**

								2019
					Accumulated other comprehensive income (loss)			
	Preferred shares	Common shares	Contributed surplus	Retained earnings	Cash flow hedges	Financial instruments at FVOCI	Total	Total
Balance, beginning of year	$ 72,557	$ 200,792	$ 7,035	$ 1,014,559	$ 2,649	$ (17,565)	$ (14,916)	$ 1,280,027
Cumulative effect of adopting IFRS 16	-	-	-	(840)	-	-	-	(840)
Restated balance as at January 1, 2019	72,557	200,792	7,035	1,013,719	2,649	(17,565)	(14,916)	1,279,187
Net income	-	-	-	206,479	-	-	-	206,479
Transfer of losses on sale of equity instruments	-	-	-	(469)	-	-	-	(469)
Other comprehensive loss, net of tax	-	-	-	-	(2,408)	(1,262)	(3,670)	(3,670)
Exercise of stock options	-	10,825	-	-	-	-	-	10,825
Dividends:								
Preferred shares	-	-	-	(4,691)	-	-	-	(4,691)
Common shares	-	-	-	(21,545)	-	-	-	(21,545)
Stock-based compensation	-	-	1,598	-	-	-	-	1,598
Transfer relating to the exercise of stock options	-	1,660	(1,660)	-	-	-	-	-
Balance, end of year	$ 72,557	$ 213,277	$ 6,973	$ 1,193,493	$ 241	$ (18,827)	$ (18,586)	$ 1,467,714

CONSOLIDATED STATEMENTS OF CASH FLOWS

($000's)

Years ended December 31	**2020**	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 223,804**	$ 206,479
Adjustments for non-cash items in net income:		

Financial instruments at fair value through income	**(3,069)**	15,175
Amortization of premiums/discount on investments	**1,562**	2,415
Amortization of capital assets and intangible costs	**22,930**	16,999
Provision for credit losses	**42,280**	18,394
Securitization gains	**(28,101)**	(9,888)
Stock-based compensation	**1,886**	1,598
Income taxes	**76,689**	72,618
Securitization retained interests	**37,251**	31,736
Changes in operating assets and liabilities:		
Restricted cash	**(41,047)**	(93,317)
Securities purchased under reverse repurchase agreements	**(300,134)**	99,931
Loans receivable, net of securitizations	**(1,751,647)**	(2,713,778)
Other assets	**(2,227)**	41,192
Deposits	**1,132,975**	1,763,225
Securitization liabilities	**1,283,655**	1,081,924
Obligations under repurchase agreements	**(255,167)**	165,034
Bank facilities	**-**	(320,421)
Other liabilities	**(21,980)**	(23,108)
Income taxes paid	**(94,481)**	(48,510)
Cash flows from operating activities	**325,179**	307,698
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common shares	**4,122**	10,825
Dividends paid on preferred shares	**(4,477)**	(4,691)
Dividends paid on common shares	**(24,899)**	(26,180)
Cash flows used in financing activities	**(25,254)**	(20,046)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	**(333,002)**	(259,181)
Acquisition of subsidiary	**-**	(46,772)
Proceeds on sale or redemption of investments	**158,199**	110,519
Net change in Canada Housing Trust re-investment accounts	**(48,446)**	(39,848)
Purchase of capital assets and system development costs	**(27,786)**	(20,127)
Cash flows used in investing activities	**(251,035)**	(255,409)
Net increase in cash and cash equivalents	**48,890**	32,243
Cash and cash equivalents, beginning of year	**508,853**	476,610
Cash and cash equivalents, end of year	**$ 557,743**	$ 508,853
Cash flows from operating activities include:		
Interest received	**$ 1,098,118**	$ 1,073,829
Interest paid	**(579,580)**	(536,734)
Dividends received	**9,447**	6,688

About Equitable

Equitable Group Inc., (Equitable or the Bank), trades on the Toronto Stock Exchange (TSX: EQB and EQB.PR.C) and serves over a quarter million Canadians through Equitable Bank, Canada's Challenger Bank™. Equitable Bank has grown to become the country's ninth largest independent Schedule I bank with a clear mandate to drive real change in Canadian banking to enrich people's lives. Founded over 50 years ago, Equitable provides diversified personal and commercial banking and through its EQ Bank platform (eqbank.ca) is a recognized innovator in digital services. Please visit equitablebank.ca for details.

Cautionary Note Regarding Forward-Looking Statements

Statements made by the Bank 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 Bank's objectives, strategies and initiatives, financial performance expectations and other statements made herein, whether with respect to the Bank'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, perfo rmance or achievements of the Bank 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 MD&A and in the Bank'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 Bank and the Canadian economy. Although the Bank 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 Bank 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 Bank 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 Adjusted EPS, Return on Shareholders' Equity, Adjusted ROE, Operating Leverage, Book value per common share, Loans under Management, CET1 Capital Ratio, Efficiency ratio, Assets under Management and Liquid Assets, that management believes provide useful information to investors regarding the Bank's financial condition and results of operations. The "NON-GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) FINANCIAL MEASURES" section of the Bank's 2020 MD&A provides a detailed description of each non-GAAP measure and should be read in conjunction with this release. The MD&A 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.

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