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For Immediate Release

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**EQUITABLE GROUP INC. CLOSSES
OVER-ALLOTMENT OPTION ON "BOUGHT DEAL" FINANCING**

Toronto, Ontario – August 12, 2008 – Equitable Group Inc. (the "Company") is pleased to announce that it has closed the over-allotment option from its previously announced \$34.4 million "bought deal" financing, which closed July 16, 2008.

The underwriters co-led by GMP Securities L.P. and TD Securities Inc., and a syndicate comprised of BMO Nesbitt Burns Inc., Cormark Securities Inc., CIBC World Markets Inc., Scotia Capital Inc. and Clarus Securities Inc. exercised the over-allotment option and purchased 60,000 common shares at a purchase price of \$21.50 per share, for aggregate gross proceeds to the Company of \$1,290,000. The exercise of the over-allotment option brings the aggregate gross proceeds of the offering to \$40,850,000 inclusive of the private placement which closed concurrently with the "bought deal" financing.

The Company intends to use the net proceeds to invest in the equity of the Company's wholly-owned subsidiary, The Equitable Trust Company to augment its Tier 1 capital regulatory capital base, to support the continued growth of its single-family mortgage portfolio, and the balance for general corporate purposes.

About Equitable Group Inc.

Equitable Group Inc. is a leading niche mortgage lender. Its primary business is first mortgage financing, which it offers through The Equitable Trust Company, its wholly-owned subsidiary. Founded in 1970, Equitable Trust is a federally regulated trust company. It serves single family, small and large commercial borrowers and their mortgage advisors, as well as the investing public as a provider of Guaranteed Investment Certificates. Equitable's non-branch business model, valued relationships with third-party mortgage professionals and deposit-taking agents, and disciplined lending practices have allowed the Company to grow profitably and efficiently for many years. The common shares of Equitable Group Inc. are listed on the Toronto Stock Exchange under the trading symbol of "ETC". For more information, visit www.equitablegroupinc.com.

For More Information:

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This press release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. 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 or 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 in the Company's documents filed on SEDAR (www.sedar.com).

Although the Company has attempted to identify 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. 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. Further information on the Company is available at www.sedar.com.

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