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*For Immediate Release*

*TSX Symbol: ETC*

**EQUITABLE GROUP INC. ANNOUNCES  
"BOUGHT DEAL" AND PRIVATE PLACEMENT FINANCING TOTALING  
\$39.6 MILLION**

Toronto, Ontario – June 25, 2008 – Equitable Group Inc. (the "Company") today announced that it has entered into an agreement with a syndicate of underwriters co-led by GMP Securities L.P. and TD Securities Inc., which have agreed to purchase, on a bought deal basis, 1,600,000 common shares of the Company at a purchase price of \$21.50 per common share, for aggregate gross proceeds of approximately \$34.4 million (the "Public Offering").

The underwriters will also have an option, exercisable for a period of 30 days following the closing date, to purchase up to an additional 160,000 common shares to cover over-allotments and for market stabilization purposes.

The common shares to be issued under the Public Offering will be offered by way of a short form prospectus in all of the provinces in Canada and in the United States on a private placement basis pursuant to an exemption from registration requirements.

The Company has also announced that it has agreed to issue, on a non-brokered private placement basis, 240,000 common shares at a price of \$21.50 per common share (the "Private Placement") to Emberwood Glen Enterprises Ltd., a wholly-owned subsidiary of Oakwest Corporation Limited, a corporation whose controlling shareholders are Austin Beutel and Eric Beutel, each directors of the Company, for aggregate gross proceeds of \$5.16 million.

The Company intends to use the net proceeds of the Public Offering and Private Placement to invest in the equity of the Company's wholly-owned subsidiary, The Equitable Trust Company and to enhance its Tier 1 capital.

Andrew Moor, Equitable President and CEO said: "This offering accelerates our previously announced intention to increase our total capital ratio. It positions us to generate sustained growth while meeting our capital targets. During the second quarter of fiscal 2008, we anticipate securitizing CMHC-insured mortgage loans valued at approximately \$410 million, which is well beyond historical levels. As a result of progress with our business plan and the opportunities we see ahead, we believe the timing of this financing is appropriate."

The offerings are scheduled to close on or about July 16, 2008. Each closing is conditional upon the other and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange.

**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](http://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](http://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](http://www.sedar.com).*

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