



EXCHANGE INCOME CORPORATION COMPLETES ACQUISITION OF BEN MACHINE PRODUCTS

Winnipeg, Manitoba – July 2, 2015 – Exchange Income Corporation (TSX: EIF) (“EIC” or the “Corporation”), a diversified, acquisition-oriented company announced today it has successfully closed the acquisition of all of the issued and outstanding shares of Ben Machine Products Company Incorporated (“Ben Machine”) for approximately \$46 million, subject to customary post-closing adjustments.

Ben Machine, headquartered in Vaughan, Ontario, is a leading manufacturer that provides complex precision-machined components and assemblies primarily for the aerospace and defence industry. Ben Machine is focused on providing a complete solution for their customers and offers a full range of services, including CNC machining and turning, brazing, casting, welding, complex assembly, sheet metal fabrication, and all necessary finishing services. Ben Machine’s services are compliant with many military, aerospace, nuclear and commercial standards that have the highest acceptance rate standards and strict measurement guidelines.

EIC paid a total purchase price of approximately \$46 million, subject to customary post-closing adjustments, of which \$6.8 million (approximately 15%) was paid through the issuance of 329,552 common shares of EIC. The balance of \$39.2 million was paid in cash and financed through the Corporation’s existing credit facility.

Ben Machine has had annual revenues ranging between \$20 million to \$25 million in each of the last five years. The purchase price at approximately \$46 million is based on an EBITDA multiple that is within the range of prior acquisitions made by the Corporation. The transaction is immediately accretive to EIC’s per share metrics and is expected to generate a return of capital over 15%.

“This is a strategic acquisition for us as it further adds to our manufacturing operations and complements and expands our niche within our aerospace sector,” stated Mike Pyle, Chief Executive Officer of EIC. “The company is not your traditional manufacturer, rather Ben Machine is a service company that provides solutions for top of class aerospace and defence companies in Canada and the United States. This established niche has enhanced Ben Machine’s position with its customers as they rely on Ben Machine to produce and deliver high precision complex parts as part of their manufacturing supply chain. The company is led by a strong management team that has a clear understanding of their value added capabilities, their markets and their customers. We look forward to Ben Machine being part of EIC.”

Matteo Iacovelli, the founder and shareholder of Ben Machine commented, “Over the span of 40 years, my family built this company and watched it grow from a local manufacturing facility to a successful international aerospace and defence manufacturing solutions company that services world class blue chip customers. I’m very pleased that my two sons, Michael and Adrian, who have led the company over the past several years will continue to help drive the business as it moves forward. Partnering with EIC will allow Ben Machine to continue to grow and expand into the future. We chose EIC because of their operating philosophy which, with their oversight and guidance, will allow Ben Machine to continue providing world class solutions to the aerospace and defence industry.”

Mr. Pyle added, “We are excited about the addition of Ben Machine to EIC, further growing our manufacturing segment. We look forward to releasing our second quarter results in mid-August and providing further details on this acquisition during our second quarter results conference call.”

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aviation services and equipment, and manufacturing. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established companies that have strong management teams, generate steady cash flow, operate in niche markets and have opportunities for organic growth.

The Corporation currently operates two segments: Aviation and Manufacturing. The Aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm Air International, Bearskin Lake Air Service, Custom Helicopter, Regional One and Provincial Aerospace. The Manufacturing segment consists of the operations by Jasper Tank, Overlanders Manufacturing, Water Blast Manufacturing, Stainless Fabrication, WesTower Communications in Canada and Ben Machine. For more information on

the Corporation, please visit www.ExchangeIncomeCorp.ca. Additional information relating to the Corporation, including all public filings, is available on SEDAR (www.sedar.com).

Caution concerning forward-looking statements

The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. These uncertainties and risks include, but are not limited to, the dependence of Exchange Income Corporation on the operations and assets currently owned by it, the degree to which its subsidiaries are leveraged, the fact that cash distributions are not guaranteed and will fluctuate with the Corporation's financial performance, dilution, restrictions on potential future growth, the risk of shareholder liability, competitive pressures (including price competition), changes in market activity, the cyclical nature of the industries, seasonality of the businesses, poor weather conditions, and foreign currency fluctuations, legal proceedings, commodity prices and raw material exposure, dependence on key personnel, and environmental, health and safety and other regulatory requirements. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Income Corporation with the securities regulatory authorities, available at www.sedar.com.

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