



Exchange Income Corporation Responds to Short and Distort Campaign

WINNIPEG, Manitoba –July 5, 2017– Exchange Income Corporation (TSX: EIF) (“EIC” or “the Company”), a diversified, acquisition-oriented company focused on opportunities in aerospace, aviation and manufacturing sectors announced today that it has become aware of a short and distort campaign aimed at undermining the value of EIC’s shares. The short report was deliberately released immediately following the end of the Company’s second quarter when EIC is in a quiet period, and is based on a number of statements, assumptions and opinions with which we strenuously disagree.

EIC has maintained a consistent strategy since its inception in 2004 which has enabled us to grow profitably and return a reliable and growing dividend to our shareholders. Nothing has changed. Since 2004, EIC has paid shareholders \$300 million in dividends while maintaining a strong balance sheet with limited leverage.

EIC reiterates its expectation that the Company will meet analyst consensus for the 2017 fiscal year. Furthermore, we are having a strong second quarter and in order to fully inform our stakeholders of this performance on as timely a manner as possible we will accelerate the announcement of these results from our historical precedent of the second week of August to the week of July 24th. Stocks ultimately trade on their financial performance and we look forward to updating the market at the earliest possible date.

EIC directors and management remain extremely confident in the Company’s business fundamentals and outlook, including its ability to generate returns on its investments that are consistent with EIC’s proven strong historical track record. Company insiders, including certain directors and officers, recently increased their holdings in EIC through share purchases in the open market. The Company has also been actively repurchasing shares through its normal course issuer bid.

The Company is considering accelerating its share buyback program beyond its normal course issuer bid.

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aerospace and 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: Aerospace & Aviation and Manufacturing. The Aerospace & Aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm Air International, Bearskin Lake Air Service, Custom Helicopters, Regional One and Provincial Aerospace. The Manufacturing segment consists of the operations of Overlanders, Water Blast, 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 cyclicity 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. Except as required by Canadian Securities Law, Exchange does not undertake to update any forward-looking statements; such statements speak only as of the date made. 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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