

Exchange Income Corporation's Subsidiary, Regional One, Completes Agreement to Lease 10 CRJ200 Aircraft to SkyWest Airlines

WINNIPEG, Manitoba – December 12, 2018 – Exchange Income Corporation (TSX: EIF) (the “Corporation” or “EIC”), a diversified, acquisition-oriented company focused on opportunities in the aviation, aerospace and manufacturing sectors, is pleased to announce that it has completed an Agreement to lease ten Bombardier CRJ200 aircraft to SkyWest Airlines (“SkyWest”).

Beginning in August of 2018, Regional One, EIC's Miami, Florida-based distributor of regional aircraft, engines and aftermarket parts, has acquired nine CRJ200 aircraft, which are now in service with SkyWest. Each of these aircraft is leased to SkyWest for a minimum term of two years, with SkyWest having an option to extend the leases. The purchase of the tenth aircraft by Regional One is expected to close imminently. These ten aircraft represent approximately 5% of SkyWest's fleet of CRJ200's.

Hank Gibson, President of Regional One, stated, “We are extremely happy to further strengthen our relationship with SkyWest Airlines, one of the largest regional airlines in North America. SkyWest is a preeminent player in the global regional airline industry, so it is gratifying to be a trusted business partner with them.”

Mike Pyle, EIC's CEO, added, “This transaction provides another example of Regional One's expertise and understanding of the regional airline industry and the narrow-body aircraft utilized by these regional airlines. Hank's experienced management team identified an opportunity to strategically invest in assets and quickly monetize them, achieving an excellent return on investment.”

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aerospace & 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 (operating as a division of Perimeter Aviation), Custom Helicopters, Regional One, Provincial Aerospace and Moncton Flight College, and an investment in Wasaya Group. The Manufacturing segment consists of the operations of Overlanders Manufacturing, Water Blast, Stainless Fabrication, WesTower Communications, Ben Machine and Quest Window Systems. 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, 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.

For further information, please contact:

Mike Pyle
Chief Executive Officer
Exchange Income Corporation
(204) 982-1850
MPyle@eig.ca

Trevor Heisler
Investor Relations
NATIONAL Capital Markets
(416) 848-1434
theisler@national.ca