STREET CAPITAL ANNOUNCES 2018 THIRD QUARTER RESULTS

TORONTO, ONTARIO, November 14, 2018 - Street Capital Group Inc. (**"Street Capital"** or the **"Company"**) **(TSX: SCB)**, today announced its financial results for the three and nine months ended September 30, 2018.

Q3-2018 Financial Highlights

All comparisons below are to Q3-2017, unless otherwise noted

- Total revenue (net of acquisition costs) was $14.0 million, compared to $19.9 million.
- Reported shareholders' diluted earnings per share were ($0.01), compared to $0.03.
- Adjusted shareholders' diluted earnings per share were $0.01[i], compared to $0.04.
- Adjusted return on tangible equity[i] was 2.9%, compared to 16.5%.
- Book value per share was $1.14, compared to $1.12.
- Mortgages under administration were $27.64 billion, compared to $27.98 billion.
- Total prime originations and renewals were $1.70 billion, compared to $2.08 billion.
- Total Street Solutions originations were $93.7 million, compared to $131.4 million.

"Despite ongoing market-related challenges in the legacy prime insured segment of Street Capital's business, I am encouraged by our team's progress against its objective to continue growing Street Capital Bank's non-prime offerings to enable more Canadians to realize their dreams of home ownership," said Duncan Hannay, President and CEO of Street Capital. "We are working to further expand Street Capital Bank's funding base to support growth in the Street Solutions non-prime portfolio. To this end, during the quarter we continued to make good progress in gaining access to third-party broker deposit platforms with bank-owned and independent investment dealers and also expect to execute our first off-balance sheet sale of Street Solutions mortgages during Q4. This would give Street Capital Bank additional balance sheet flexibility and ensure that it maintains a consistent product offering in the market. During the quarter, Street Capital Bank also signed a major technology partnership with a global leader in financial technology, to deploy Street Capital Bank's core banking solution from the public cloud. This represents the first modern, open-architecture, cloud-based digital banking solution in Canada, and we currently expect to be in a position to offer a direct-to-customer GIC and HISA offering in late 2019. This platform will put Street Capital Bank in a unique competitive position, enabling the Company to deliver a world-class client experience, while accelerating its deposit gathering capabilities."

Business Update and Outlook

Note to readers: This section includes forward-looking information and is qualified in its entirety by the discussion about Forward-Looking Information, below.

Adjusted EPS in Q3 2018 was $0.01, down from $0.04 in Q3 2017 and $0.02 in Q2 2018. Revenue of $14.0 million in the quarter was down from $19.9 million in Q3 2017 and $17.0 million last quarter. Increasing contribution from net interest income from Street Solutions mortgages was not sufficient to fully offset the weakness in contribution from prime mortgage sales that corresponds to reduced origination volumes and spread compression in the quarter.

Street Capital Bank (the "Bank") originated $1.10B in mortgages (including Street Solutions) in Q3 2018 and $3.19B YTD, down approximately 33% from $1.65B and approximately 27% from $4.38B in the same periods last year. The declines continue to reflect the heightened competition for a smaller addressable market of prime insurable mortgages and the Bank's lack of competitive funding for prime uninsurable mortgages, along with softer housing markets in BC and Alberta.

Additionally, as described in the Company's MD&A for Q2 2018, as mortgage underwriting and mortgage insurance qualification requirements have become more stringent, both because of changes in regulatory requirements, as seen through the Department of Finance in October 2016 and most recently from OSFI in October 2017 with respect to updates to Guideline B-20, and through changes in general industry practice, the inherent risk of misrepresentation in mortgage documents has increased. This is particularly the case when income qualification rules are tightened and within the current environment of high home prices and increasing interest rates. To proactively mitigate this higher inherent risk, and in line with management's ongoing focus on credit quality, the Bank continues to strengthen its internal capabilities and evolve its processes and use of technology as described under *Operational Risk Management* in the Company's MD&A for Q3 2018. The Bank also carefully evaluates its broker relationships and takes actions as required, in the normal course of its business. These measures serve to mitigate risk to the Bank and its business partners from the types of systemic issues that have affected other market participants. These actions, at times, can come at the expense of near-term volume growth and market share, as the Bank has experienced over the last few quarters. The Bank sees these actions as important but generally transitory, while it also builds out offsetting plans to expand its distribution footprint and enter new profitable market segments, which are expected to result in improvements in prime originations from these plans in 2019.

As discussed previously, the current business model of the Bank, by its nature, is affected by the strength and health of the mortgage and real estate markets generally, as well as by the changing regulations and policies that govern these markets, more specifically prime mortgages. Changes to mortgage eligibility rules and increased competition for prime insurable mortgages have put increased pressure on the Bank's historical revenue model. In response to the changing market conditions, the Bank has diversified its strategy and revenue mix by building the Street Solutions mortgage program and the balance sheet of the Bank, and is now beginning to see the positive contribution from this strategy. Additionally, the Bank's almost $27 billion in prime mortgages under administration provides a significant ongoing source of current period and future earnings.

2018 is a pivotal and foundational year for the Bank as it continues to adapt to the changing business and market landscape, builds its balance sheet, and invests in the foundational capabilities required to enable its mid to long-term strategy. Management expects that market headwinds in the prime insurable mortgage segment will persist through the remainder of 2018 and that the funding marketplace for prime uninsurable mortgages will be slow to develop. Management expects demand for its non-prime, uninsured Street Solutions product to remain strong and will manage its growth prudently against credit quality, liquidity and regulatory capital levels.

The Bank continues to see strong demand and uptake for the Street Solutions product, originating $94 million in Q3 2018 and $300 million YTD. The portfolio stood at $460.2 million at the end of the quarter with a healthy YTD weighted average yield of 5.24% combined with strong credit quality and credit performance. Management takes a prudent approach to managing the growth in Street Solutions, both in terms of credit quality, which remains high with only one loan reaching 90 or more days past due to date and no realized credit losses, and also by managing funding and liquidity risk. Management originally targeted originations in the range of $600 - $700 million for 2018; however, given the slower than anticipated progress in the Bank's funding initiatives during 2018, Street Solutions originations are now expected to be in the range of $375 - $400 million for 2018. Moving into 2019, originations for Street Solutions in Q4 2018 will continue to depend on the outcome of the Bank's current initiatives to deepen its funding sources. The Bank continues to make good progress in gaining access to third-party broker deposit platforms with bank-owned and independent investment dealers, and has developed new off-balance sheet funding relationships with institutional investors. Dependent on the success of these strategies the Bank will continue to target Street Solutions originations in the range of $850 - $950 million in 2019.

As expected, based on the maturity profile of the Bank's prime MUA, the contribution to revenue from renewals has increased materially year over year. Renewal volumes were $0.70 billion in Q3 2018 and $1.98 billion for the year so far. Net revenue from renewals is down 8% for Q3, on lower gain on sale rates but higher volumes, and up 24% YTD compared to last year. Renewal spreads were compressed primarily due to the proportion of loans renewed with one investor who pays lower premiums. This proportion is expected to decline in future quarters, leading to an improvement in renewal gain on sale rates. The average renewal rate for 2018 is approximately 73%. While the Bank targets renewal rates in the range of 75% – 80%, it will primarily look to maximize the overall return, which can at times mean modestly lower renewal rates but better contribution to revenue. Therefore, while renewal rates are lower than target ranges, management is satisfied with the overall contribution to revenue. Given the relative predictability of renewals volumes the Bank continues to anticipate prime renewals in the range of $2.20 - $2.40 billion in 2018 and $2.40 - $2.60 billion in 2019.

As discussed last quarter, the Bank has secured an initial round of funding for prime uninsurable mortgages, a product the Bank has largely been without following the 2016 mortgage insurance eligibility rule changes. In Q3 the Bank funded $28.6 million in this product and had $16.3 million in commitments outstanding at the end of the quarter. Given the nascent funding model for prime uninsurable mortgages the Bank has not been able to offer competitive rates across the spectrum for this product. The ultimate success and sustainability of the prime uninsurable mortgage product, given the Bank's current business model, will depend on the development of a sufficiently liquid and active non-government sponsored Residential Mortgage Backed Securities ("RMBS") market. Until this market develops, management is not including material volumes or profit for this product in its targets.

Part of the Bank's strategic imperative over the medium to long-term is to continue to transform its business model from a mono-line prime insurable mortgage originator into a more fulsome banking offering with access to multiple on- and off-balance sheet funding sources that support both its growth objectives and its revenue diversification. The Bank has completed negotiations with a global leader in core banking solutions and a premier cloud platform provider, and the project to deliver a modern, digitally-enabled banking platform is underway, with associated capital spending expected to total $7 - $10 million over the next twelve months. The initial launch of the Bank's web and mobile enabled banking platform, including a direct-to-consumer deposits offering, is currently anticipated in 2019.

Given the opportunities associated with the Bank's strategic investments and the regulatory capital requirements of its growing and profitable balance sheet, the Bank continues to assess the adequacy of current and projected capital resources under expected and stressed conditions. Based on management's assessment of the adequacy of the Bank's capital, the Bank is currently sufficiently capitalized to continue operations and execute on its 2018 business plan. Management continues to evaluate ways to strengthen its capital position as part of its planning process. Management and the Board of Directors are committed to balancing the speed of execution against its transformation plan with the realities of the current market and its risk management framework, in order to choose the path that recognizes the needs of all stakeholders.

Prime Mortgage Lending

As noted above, competition for prime insurable mortgages remains high, particularly in the high ratio segment, and this is anticipated to continue. Housing activity is expected to remain relatively consistent with the most recent experience. This view reflects current economic forecasts, national housing sale statistics, and the effect of anticipated future interest rate increases. While management is actively working to strengthen the pipeline of prime originations, originations of prime insurable mortgages for 2018 are likely to remain at levels 30% -35% below 2017. New sales initiatives, including the introduction of a new trailer commission program and service level improvements, are expected to improve prime origination volumes into 2019.

In addition, rising bond yields and price competition for prime insurable mortgages are expected to continue to put negative pressure on the gain on sale rates earned for these mortgages, and as such management is not expecting to see an increase in margins over the near to mid-term.

As discussed above, the Bank is offering a prime uninsurable mortgage product. The profitability and sustainability of this product is not yet clear; however, management is cautiously optimistic on the development of the market over the medium to long-term and will provide updates on progress once there is better clarity.

Prime Mortgage Renewals

Softness in new originations of prime insurable mortgages continues to be partly offset by the Bank's expected highly profitable mortgage renewal activity in 2018. Management continues to expect prime renewals in the range of $2.20 - $2.40 billion in 2018 and $2.40 - 2.60 billion in 2019.

However, this activity will be at lower net gain on sale rates compared to 2017 due to a few factors. First, from the period January 2011 – July 2015, the Bank offered brokers a Loyalty Program that pays a trailer commission upon mortgage renewal. The bulk of mortgages originated under this program are due to mature between 2018 and 2020, effectively increasing acquisition costs for renewals. Second, the Bank has differing contracts with funders, which determine the premiums paid on renewal. A higher relative proportion of renewals in 2018 with a funder who pays a lower premium on renewal will put some downward pressure on gain on sale rates in 2018, with some improvement in 2019. And, third, renewals are subject to the same margin pressure as new prime originations. Even with these pressures, the gain on sale rates for renewals remain materially more profitable than new originations and will continue to significantly contribute to the Bank's financial results.

It should be noted that optimizing contribution from mortgage renewals is a strategic priority for management. In that regard the Bank will continue to focus on its service and retention activities. The Bank's almost $27 billion of prime MUA provides both a sustainable portfolio of quality revenue generating assets and a customer base to drive significant value over the coming years as the Bank expands into additional product areas.

Street Solutions Uninsured Residential Mortgage Lending

The Bank launched its non-prime uninsured mortgage product, Street Solutions, in Q2 2017. The market response was positive, and demand was strong, with many existing mortgage broker partners welcoming another provider in this segment. The Bank continues to experience strong demand for the Street Solutions product, at high levels of credit quality and ongoing solid credit performance.

Management originally targeted Street Solutions originations in the range of $600 - $700 million for 2018; however, given the slower than anticipated progress in the Bank's funding initiatives during 2018, originations are expected to be in the range of $375 - $400 million. Moving into 2019, originations for Street Solutions will continue to depend on the outcome of the Bank's current initiatives to deepen its funding sources. As discussed above, management has made significant progress during Q3 2018 on these initiatives, which include broadening the Bank's deposit broker base and developing new off-balance sheet funding relationships with institutional investors. While dependent on the success of these funding initiatives, management is still targeting Street Solutions originations in the range of $850 - $950 million in 2019, with a mix of on and off-balance sheet strategies. Management continues to expect net interest margins within 2.0% - 2.35% for Street Solutions mortgages funded on-balance sheet. For off-balance sheet transactions, management expects net gains on sale in the range of 65 - 75 basis points for new mortgages and 45 - 55 basis points for renewals. Renewals are typically after one year for the Street Solutions product. The Bank would not retain any credit exposure on the sale of Street Solutions mortgages to institutional investors.

Funding and Liquidity

When investors purchase prime insurable mortgages at commitment, the Bank transfers substantially all of the risks associated with the mortgage. The Bank's access to this funding is currently adequate, and the Bank remains competitive in this mortgage segment. Also, as mentioned above, the Bank has been successful in obtaining initial funding for a prime uninsurable mortgage product.

The primary funding strategy for the Street Solutions product continues to be to originate deposits across tenors and focus on deposits with fixed terms in order to manage liquidity risk. Deposit balances, sourced through the investment broker network, were $555.8 million at the end of the quarter, increasing $262.9 million from the end of 2017 and $357.5 million from one year ago. The Bank continues to onboard new brokers in order to increase diversification and volume in the channel and remains very active in this regard. The Bank continues to see strong demand for Street Solutions and is making progress with initiatives designed to diversify funding sources, both on- and off-balance sheet.

As mentioned above, the Bank is working toward a digital banking launch, currently anticipated in 2019, which will include a direct-to-consumer deposit offering. Direct-to-consumer deposits will help the Bank deepen its sources of stable funding, while providing a level of diversification away from broker-imposed concentration limits that may occur from time to time.

Operating Expenses

The Bank will continue to target positive operating leverage as a key performance indicator beyond 2018; however, management does not expect to meet this target for 2018, primarily due to lower than anticipated prime insurable originations lowering revenue expectations, and the relatively high proportion of fixed costs associated with running a Schedule I bank.

Management has managed expenses and headcount prudently with year to date adjusted operating expenses running just 1.6% above last year. Management will continue to carefully manage expenses and balance improving efficiency against making the appropriate investments in people and technology to enable its strategic priorities and the strengthening of the Bank's risk and compliance management programs.

Beyond 2019 management will undertake proactive strategies to achieve positive operating leverage, both through planned cost saving initiatives and improved revenue.

Strategic Priorities

In its 2017 Q4 and Annual Report the Bank set out five strategic priorities to support its growth objectives over the medium to long-term. During the first nine months of 2018 the Bank has made progress on several fronts including:

Diversifying funding sources by:

- continuing to add deposit brokers; broker-sourced deposits increased by $262.8 million YTD in 2018, supporting the origination of $299.8 million in Street Solutions mortgages;
- exploring off-balance sheet funding sources for Street Solutions, with the first such transaction expected to occur in Q4 2018; and
- obtaining funding for a prime uninsurable mortgage product, thereby extending its mortgage shelf.

Building momentum in new addressable markets by:

- increasing Street Solutions balances to $460.2 million at the end of Q3 2018, with a YTD weighted average yield of 5.24% that generated $2.8 million net interest income in Q3 and $6.3 million YTD (including other non-securitized assets); and
- continuing expansion in multi-unit residential lending with net gains on sale of $1.0 million YTD.

Driving contribution from mortgage renewals by:

- delivering revenue contribution of $7.3 million on volume of $0.70 billion in Q3. YTD renewal revenue is up approximately 24% over 2017.

Enhancing the Bank's risk and control governance framework by:

- continuing to leverage the Bank's Quality Assurance findings, third-party reviews, and the revisions to OSFI Guideline B-20 to further evolve its Mortgage Underwriting Guidelines; and

Transforming the organization by:

- beginning the development of a core banking platform with the current objective of a digital banking launch in 2019, including a direct to consumer deposits offering.

Update on Financial Targets

Please see the cautionary notes contained in *Forward-Looking Information*, below.

In addition to forward-looking guidance, the Bank has previously provided financial targets to provide insight to some of its strategic financial performance objectives over the next three years.

The Bank's 2018 financial targets were last updated in Q2 2018. Based on best estimates to date management now expects the following for 2018:

- renewal volumes in the range of $2.20 - $2.40 billion, assuming renewal rates remain at the current year to date rate of approximately 73%;
- Street Solutions originations in the range of $375 - $400 million; [1]
- prime insurable new originations will trend at 30% -35% below 2017 levels for the reasons discussed in *Business Update and Outlook*, above; [2]
- positive operating leverage will not be achieved in 2018. [3]

Although the Bank will continue to work towards the previously disclosed targets for 2019 to 2020 and is reiterating its 2019 targets for prime renewals, Street Solutions originations, and positive operating leverage, the Bank is engaged in its annual strategic review and planning, and will update stakeholders on any changes to its targets.

[1] Previous target for Street Solutions originations was in the range of $600 - $700 million.

[2] Previous disclosure was 25% - 30% below 2017.

[3] Previous disclosure communicated greater uncertainty regarding these results.

Dividends

There were no dividends declared or paid during 2017 or YTD 2018. At this time the Company's best use of capital is reinvestment into the operations and growth of the Bank.

While there is no restriction on the Company's ability to declare dividends, the Bank is the sole operating subsidiary of the Company and is subject to regulatory capital and business requirements stipulated by OSFI that must be met before dividends can be declared and paid.

Q3 2018 Summary and Highlights

The following tables set out the financial highlights for the three and nine months ended September 30, 2018:

(in thousands of $, except where defined)	For the three months ended or as at			For the nine months ended or as at	
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Financial performance					
Shareholders' net income (loss)	**$ (1,361)**	$ 3,306	$ 3,731	**$ 580**	$ 1,053
Shareholders' diluted earnings (loss) per share	**$ (0.01)**	$ 0.03	$ 0.03	**$ 0.00**	$ 0.01
Adjusted shareholders' net income (i)	**$ 713**	$ 2,337	$ 4,297	**$ 1,569**	$ 6,212
Adjusted shareholders' diluted earnings per share (i)	**$ 0.01**	$ 0.02	$ 0.04	**$ 0.01**	$ 0.05
Total revenue (net of acquisition costs)	**$ 14,020**	$ 17,041	$ 19,916	**$ 42,654**	$ 48,369
Net gain on sale - new - excluding portfolio insurance (ii)	**$ 6,304**	$ 7,389	$ 13,300	**$ 19,511**	$ 35,066
Net gain on sale - new - % excluding portfolio insurance (ii)	**0.63%**	0.70%	0.87%	**0.67%**	0.83%
Net gain on sale of mortgages - renewals	**$ 7,271**	$ 9,071	$ 7,935	**$ 23,051**	$ 18,614
Net gain on sale - renewals - % of renewals	**1.05%**	1.18%	1.42%	**1.16%**	1.40%
Net interest income - non-securitized assets	**$ 2,768**	$ 2,156	$ 273	**$ 6,326**	$ 94
Net interest margin - non-securitized assets	**2.06%**	2.00%	0.86%	**1.94%**	0.20%
Return on tangible equity (i)	**(4.4%)**	12.2%	14.4%	**1.1%**	1.8%
Adjusted return on tangible equity (i)	**2.9%**	8.8%	16.5%	**2.3%**	8.2%
Mortgages originated and under administration					
Mortgages under administration *(in billions of $)*	**$ 27.64**	$ 27.90	$ 27.98	**$ 27.64**	$ 27.98
Prime mortgages originated and sold	**$ 1,005,705**	$ 1,061,892	$ 1,521,342	**$ 2,894,125**	$ 4,234,529
Prime mortgage renewals sold	**695,609**	767,830	560,423	**1,983,125**	1,328,187
Total prime mortgages sold	**$ 1,701,314**	$ 1,829,722	$ 2,081,765	**$ 4,877,250**	$ 5,562,716
Total Street Solutions originations	**$ 93,685**	$ 107,805	$ 131,376	**$ 299,775**	$ 141,601
Credit quality - mortgages					
Provision for Street Solutions credit losses	**$ (67)**	$ (140)	$ (136)	**$ (268)**	$ (136)
Provision for Street Solutions credit losses - rate	**0.08%**	0.16%	0.09%	**0.11%**	0.09%
Allowance for Street Solutions credit losses	**$ 538**	$ 471	$ 136	**$ 538**	$ 136
Allowance for Street Solutions credit losses - % of Street Solutions assets	**0.12%**	0.12%	0.09%	**0.12%**	0.09%
Regulatory Capital Ratios - Street Capital Bank					
Risk-weighted assets	**$ 460,448**	$ 452,010	$ 352,467		
Common equity Tier 1 (CET1) ratio	**22.05%**	22.24%	27.54%		
Total capital ratio	**22.16%**	22.24%	27.54%		
Leverage ratio	**10.81%**	11.29%	15.85%		
Equity and share information					
Shareholders' equity	**$ 139,743**	$ 140,763	$ 136,590		
Shares outstanding end of period (000s)	**122,184**	122,184	122,184		
Book value per share	**$ 1.14**	$ 1.15	$ 1.12		
Market capitalization	**$ 109,966**	$ 103,856	$ 171,058		
Share price at close of market	**$ 0.90**	$ 0.85	$ 1.40		

(please see definition on following page)

Note: The table above includes non-GAAP measures that highlight the Company's core operating business (the Bank) by removing non-recurring items, including non-recurring restructuring costs or recoveries, and material items associated with the Company's legacy businesses. Please see the section Non-GAAP Measures in the Company's Three and Nine Months Ended September 30, 2018 Management's Discussion and Analysis for further detail and numerical reconciliations of these non-GAAP measures to the most directly comparable measure specified, defined or determined under the GAAP presented in the Company's financial statements.

(i) Non-GAAP measure the Company uses to measure its performance from continuing and recurring income from its core business.
(ii) Portfolio insurance refers to the amortization of the prepaid portfolio insurance asset which is included as an expense in the calculation of total revenue. This amortization of the asset is not variable based on the current period's volume, and, as such, can distort gain on sale trends.

Reconciliation of Shareholders' Net Income to Adjusted Shareholders' Net Income

(in thousands of $, except per share data)	**For the three months ended**			**For the nine months ended**	
	September 30, 2018	**June 30, 2018**	**September 30, 2017**	**September 30, 2018**	**September 30, 2017**
Net income (loss)	**$ (1,361)**	$ 3,306	$ 3,731	**$ 580**	$ 1,053
Fair value adjustments (net of non-controlling interest)	**11**	(1,189)	163	**(1,331)**	32
Private equity management expense (net of tax)	-	220	52	**257**	291
Deferred tax adjustment (reassessment of loss carryforwards)	**1,770**	-	-	**1,770**	-
Net interest accrual on legacy payable (net of tax)	**293**	-	-	**293**	-
Restructuring expense (recovery) (net of tax)	-	-	351	-	4,821
Discontinued operations (net of tax)	-	-	-	-	15
Adjusted net income	**$ 713**	$ 2,337	$ 4,297	**$ 1,569**	$ 6,212
Shareholders' diluted earnings (loss) per share	**$ (0.01)**	$ 0.03	$ 0.03	**$ 0.00**	$ 0.01
Adjusted shareholders' diluted earnings per share	**$ 0.01**	$ 0.02	$ 0.04	**$ 0.01**	$ 0.05

Further Information

Please also refer to the Company's Q3 2018 Condensed Consolidated Interim Financial Statements and Three and Nine Months Ended September 30, 2018 Management's Discussion and Analysis, which are available on the Company's website (www.streetcapital.ca) and on SEDAR (www.sedar.com).

Conference Call

Street will host a conference call today, Thursday, November 15, 2018 at 8:00 a.m. ET to discuss its financial results. Duncan Hannay, Chief Executive Officer of Street, will chair the call with Marissa Lauder, Chief Financial Officer of Street.

	Participant Dial-in	Webcast	Reference Number
Conference Call	**416-764-8609**; or **1-888-390-0605**	https://bit.ly/2OUTKvJ	
Replay (available for 2 weeks)	416-764-8677; or 1-888-390-0541		95422222

About Street Capital Group Inc. (streetcapitalgroup.ca)

Street Capital Group Inc. (TSX: SCB) is a public company operating through its wholly-owned subsidiary, Street Capital Bank of Canada, a federally regulated Schedule I Bank offering residential mortgage loans with the strategic goal of introducing additional retail banking products in the coming years. Street Capital Bank of Canada sources its mortgage products primarily through a network of independent mortgage brokers across Canada with whom it has built relationships. Street Capital Bank of Canada offers a broad line-up of high ratio and conventional mortgages to borrowers and either sells the mortgages it underwrites to top tier financial institutions or holds them on balance sheet. Street Capital Bank of Canada lends throughout all of the Provinces of Canada (other than Quebec) and has offices in Ontario, Alberta and British Columbia. For more information please visit streetcapital.ca.

Forward-Looking Statements

This release, and the Company's regulatory filings and other communications, contain certain forward-looking statements and forward-looking information (collectively, forward-looking statements) within the meaning of applicable securities laws. In this and other documents, forward-looking statements can generally be identified by use of words such as "may", "will", "could", "should", "anticipate", "believe", "estimate", "expect", "intend", "forecast", "project", "plan", "schedule" and words of similar import. These forward-looking statements relate to matters including, but not limited to, the Company's objectives, strategies, financial and operating results, as well as to the Company's markets and the Canadian economy in general.

Forward-looking statements are presented for the purpose of assisting the Company's shareholders and other stakeholders in understanding the Company's financial position, objectives and priorities, as well as its anticipated financial performance as at and for the periods ended on the dates presented and may not be appropriate for other purposes.

Forward-looking statements reflect management's business judgement based on information available to management at the time they are made and on management's then-current view of future events and, as such, are subject to certain risks and uncertainties as outlined in this release, including in the sections titled "Strategic Priorities" and "Business Update and Outlook". Such risks and uncertainties are also discussed in the Company's Annual Information Form and other filings made with securities regulators, which are available on SEDAR (www.sedar.com) and on the Company's website (www.streetcapital.ca).

Relevant risks and uncertainties include, without limitation, possible unanticipated changes in: technology, regulatory requirements, mortgage insurance rules and the business and economic environment generally, including, but not limited to, Canadian housing market conditions and activity, interest rates, mortgage backed securities markets, timing and execution of anticipated transactions, employment conditions, taxation, and competitive factors.

Should one or more of these risks materialize, or should underlying assumptions prove incorrect, the Company's actual results could differ materially from those anticipated in these forward-looking statements. Although management believes that its expectations are based on reasonable assumptions, management can give no assurance that its expectations will materialize. Therefore, the reader should not place undue reliance on forward-looking statements made in this release or in the Company's regulatory filings and other communications. Management undertakes no obligation, and does not intend, to update, revise or otherwise publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events, except as required by applicable securities laws.

For further information, please contact:

Duncan Hannay
CEO, Street Capital Group Inc.
duncan.hannay@streetcapital.ca

Jonathan Ross
LodeRock Advisors Inc., Inv. Relations
jon.ross@loderockadvisors.com
(416) 283-0178

The following table sets out financial highlights of the Company's consolidated quarterly results of operations for the eight quarters ended September 30, 2018. Please see the section Non-GAAP Measures in the Company's Management's Discussion and Analysis for the Three and Nine Months Ended September 30, 2018, which is available on the Company's website (www.streetcapital.ca) and on SEDAR (www.sedar.com), for the definitions of adjusted net income, other related non-GAAP measures, and credit quality indicators.

(in thousands of $, except where defined)	**2016 Q4**	**2017 Q1**	**2017 Q2**	**2017 Q3**	**2017 Q4**	**2018 Q1**	**2018 Q2**	**2018 Q3**
Financial performance								
Shareholders' net income (loss)	$ 462	$ (2,574)	$ (104)	$ 3,731	$ 1,239	$ (1,365)	$ 3,306	**$ (1,361)**
Adjusted shareholders' net income (loss)	$ 1,900	$ 69	$ 1,845	$ 4,297	$ 1,544	$ (1,481)	$ 2,337	**$ 713**
Shareholders' diluted earnings (loss) per share	$ 0.00	$ (0.02)	$ 0.00	$ 0.03	$ 0.01	$ (0.01)	$ 0.03	**$ (0.01)**
Adjusted shareholders' diluted earnings (loss) per share	$ 0.02	$ 0.00	$ 0.02	$ 0.04	$ 0.01	$ (0.01)	$ 0.02	**$ 0.01**
Return on equity	1.4%	(7.7%)	(0.3%)	11.1%	3.6%	(4.0%)	9.5%	**(3.9%)**
Adjusted return on equity	5.7%	0.2%	5.6%	12.8%	4.5%	(4.3%)	6.7%	**2.0%**
Return on tangible equity	2.2%	(9.3%)	0.1%	14.4%	4.9%	(4.5%)	12.2%	**(4.4%)**
Adjusted return on tangible equity	7.6%	0.7%	7.5%	16.5%	6.1%	(4.9%)	8.8%	**2.9%**
Mortgages sold and under administration								
Prime mortgages sold - new	$ 2,101,474	$ 1,213,257	$ 1,499,930	$ 1,521,342	$ 1,138,274	$ 826,528	$ 1,061,892	**$1,005,705**
Prime mortgages sold - renewal	358,043	304,597	463,167	560,423	531,080	519,686	767,830	**695,609**
Prime mortgages sold - total	$ 2,459,517	$ 1,517,854	$ 1,963,097	$ 2,081,765	$ 1,669,354	$ 1,346,214	$ 1,829,722	**$1,701,314**
Total Street Solutions originations	N/A	N/A	$ 10,225	$ 131,376	$ 62,116	$ 98,285	$ 107,805	**$ 93,685**
Mortgages under administration ***(in billions of $)***	$ 27.70	$ 27.81	$ 27.81	$ 27.98	$ 28.02	$ 27.83	$ 27.90	**$ 27.64**
Gain on sale of mortgages	$ 40,793	$ 26,886	$ 37,278	$ 39,531	$ 30,077	$ 22,274	$ 29,728	**$ 26,075**
As a % of mortgages sold	1.66%	1.77%	1.90%	1.90%	1.80%	1.65%	1.62%	**1.53%**
Acquisition expenses	$ 26,538	$ 15,523	$ 20,902	$ 20,819	$ 16,750	$ 12,360	$ 15,890	**$ 15,118**
As a % of mortgages sold	1.08%	1.02%	1.06%	1.00%	1.00%	0.92%	0.87%	**0.89%**
Net gain on sale of mortgages	$ 14,255	$ 11,363	$ 16,376	$ 18,712	$ 13,327	$ 9,914	$ 13,838	**$ 10,957**
As a % of mortgages sold	0.58%	0.75%	0.83%	0.90%	0.80%	0.74%	0.76%	**0.64%**
Operating expenses	$ 12,085	$ 11,561	$ 14,510	$ 13,821	$ 12,223	$ 13,357	$ 13,827	**$ 13,350**
As a % of mortgages sold	0.49%	0.76%	0.74%	0.66%	0.73%	0.99%	0.76%	**0.78%**
Equity and share performance								
Shareholders' equity	$ 134,492	$ 131,998	$ 132,252	$ 136,590	$ 138,162	$ 137,056	$ 140,763	**$ 139,743**
Shares outstanding end of period **(in 000s)**	121,532	121,580	121,974	122,184	122,184	122,184	122,184	**122,184**
Book value per share	$ 1.11	$ 1.09	$ 1.08	$ 1.12	$ 1.13	$ 1.12	$ 1.15	**$ 1.14**
Market capitalization	$ 228,480	$ 182,370	$ 164,665	$ 171,058	$ 125,850	$ 91,638	$ 103,856	**$ 109,966**
Share price at close of market	$ 1.88	$ 1.50	$ 1.35	$ 1.40	$ 1.03	$ 0.75	$ 0.85	**$ 0.90**

The following table sets out the Company's consolidated financial position as at September 30, 2018; June 30, 2018; December 31, 2017; and September 30, 2017.

								As at
(in thousands of $)		September 30, 2018		June 30, 2018		December 31, 2017		September 30, 2017
Assets								
Cash and cash equivalents	**$**	**77,529**	$	74,821	$	89,414	$	52,128
Restricted cash		**17,437**		34,944		35,543		23,337
Securities		**7,414**		-		-		-
Street Solutions uninsured mortgages		**460,246**		394,644		200,804		140,673
Other non-securitized mortgages and loans		**26,492**		20,136		13,259		14,973
Securitized mortgage loans		**193,202**		199,748		220,774		228,162
Deferred placement fees receivable		**50,187**		51,024		52,325		52,145
Prepaid portfolio insurance		**77,251**		79,190		82,511		81,556
Deferred income tax assets		**13,062**		14,697		14,568		14,538
Other assets		**27,217**		32,984		23,826		22,732
Goodwill and intangible assets		**27,998**		28,179		28,426		28,196
Total assets	**$**	**978,035**	$	930,367	$	761,450	$	658,440
Liabilities								
Deposits	**$**	**555,848**	$	481,220	$	292,976	$	198,344
Loans payable		**4,107**		4,160		4,039		4,023
Securitization liabilities		**193,056**		201,496		221,594		229,260
Accounts payable and accrued liabilities		**45,126**		62,951		64,840		51,161
Deferred income tax liabilities		**47,247**		46,869		45,889		44,843
Total liabilities		**845,384**		796,696		629,338		527,631
Total shareholders' equity		**139,743**		140,763		138,162		136,590
Non-controlling interests		**(7,092)**		(7,092)		(6,050)		(5,781)
Total liabilities and equity	**$**	**978,035**	$	930,367	$	761,450	$	658,440
Total MUA ***(in billions of $)***	**$**	**27.64**	$	27.90	$	28.02	$	27.98