



**CHESSWOOD ANNOUNCES FINANCIAL RESULTS FOR Q1 2018**  
***Record Portfolio Growth and Income Before Taxes***

TORONTO, May 8, 2018 – Chesswood Group Limited (“Chesswood” or “the Company”) (TSX: CHW), a North American commercial equipment finance provider for small and medium-sized businesses, today reported its results for the first quarter ended March 31, 2018.

The Company generated record quarterly Income before tax, along with strong operating earnings of \$8.3 million, compared to \$8.0 million last year. Chesswood generated these record Canadian dollar results even though the U.S. exchange rate during the quarter (1.26:1) was significantly lower than in the first quarter of 2017 (1.32:1). The effect of the weaker U.S. dollar on operating income for the quarter was \$490,000. Chesswood’s finance receivables grew to \$750 million in the quarter, driven by record quarterly originations of \$94 million, a 19% increase from \$79 million in the first quarter of last year.

“Our first quarter results not only reflect record portfolio growth and excellent operating income but they also reflect an improvement in our U.S. delinquency markers that was better than expected,” said Barry Shafran, Chesswood’s President and CEO. “We continue to look with optimism on the business climate and activity, especially in the U.S., following the recent lowering of tax rates, the easing of regulations and the very low unemployment numbers,” added Shafran.

<b>Financial Highlights</b> (in CDN \$000's, except EPS)	<b>For the Three Months</b>	
	<b>Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Operating Income <sup>(1)(2)</sup>	\$8,339	\$8,049
Net Income <sup>(2)</sup>	\$5,900	\$4,696
Earnings Per Share - basic	\$0.33	\$0.26

(1) - See "Non-GAAP Measure" below.

(2) - Provision for credit losses included in net income for Q1 2018 is in accordance with IFRS 9. Prior period comparatives were prepared in accordance with IAS 39 and have not been restated.

**Non-GAAP Measure**

Operating Income is not a recognized measure under International Financial Reporting Standards and does not have standard meanings. Accordingly, this measure may not be comparable to similar measures presented by other issuers. Please refer to the Company’s Management Discussion and Analysis in Chesswood’s 2017 Annual Report and 2018 First Quarter Report for additional information concerning this measure and a reconciliation of this measure to the Company’s consolidated net income.

## About Chesswood

Through two wholly-owned subsidiaries in the U.S. and Canada, Chesswood Group Limited is North America's only publicly-traded commercial equipment finance company focused on small and medium-sized businesses. Our Colorado-based Pawnee Leasing Corporation, founded in 1982, finances a highly diversified portfolio of commercial equipment leases and loans through established relationships with over 600 independent brokers in 48 U.S. states. In Canada, Blue Chip Leasing Corporation has been originating and servicing commercial equipment leases and loans since 1996, and today operates through a nationwide network of more than 50 independent brokers. Based in Toronto, Canada, Chesswood's shares trade on the Toronto Stock Exchange under the symbol CHW.

Learn more at [www.chesswoodgroup.com](http://www.chesswoodgroup.com), [www.PawneeLeasing.com](http://www.PawneeLeasing.com) and [www.BlueChipLeasing.com](http://www.BlueChipLeasing.com).

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