

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Posts Record Results for 2012 – Annual EBITDA Increases by nearly 140%

Toronto, Ontario – March 13, 2013 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced its results for the three months and year ended December 31, 2012 (“Q4 2012” and “fiscal 2012”, respectively). The Company’s Financial Statements and Management’s Discussion and Analysis are available on the Tricon website at www.triconcapital.com and have been filed on SEDAR. The following information is presented in Canadian dollars rounded to the nearest thousand, also see Note 2 below.

Highlights:

- Total Adjusted Base Revenues increased by 344% to \$13,433,000 in Q4 2012 and by 178% to \$31,829,000 for fiscal 2012 when compared to the corresponding periods in 2011, primarily as a result of the establishment of the Company’s U.S. Distressed Single-Family Rental Strategy.
- As a result, Adjusted EBITDA for Q4 2012 and fiscal 2012 were \$3,363,000 and \$11,400,000, respectively – approximately 180% and 136% higher than the corresponding periods in 2011.
- Similarly, Adjusted Net Income for Q4 2012 and fiscal 2012 were \$846,000 and \$5,641,000, respectively - approximately 39% and 122% higher than the corresponding periods in 2011. As a result, Adjusted Basic and Diluted Earnings per Share for fiscal 2012 increased to \$0.20 compared to \$0.14 earned for 2011.
- AUM at December 31, 2012 was \$1.1 billion - approximately \$62.1 million higher than September 30, 2012 and \$151.3 million higher than December 31, 2011.
- The Company’s U.S. single-family platform, which was launched in Q2 2012, generated net operating income of \$747,000 and \$1,315,000 for Q4 2012 and for fiscal 2012, respectively, from both the sale of Inventory Homes and income from rental properties. The average gross yield for the portfolio is approximately 14%, above the Company’s target levels as a result of the recent Charlotte portfolio acquisition. Rental gross operating margin for the year was 53% and is expected to improve through 2013 as the portfolio stabilizes.
- During Q4 2012, 981 homes were purchased and 28 Inventory Homes were sold, increasing the housing portfolio to 1,582 homes, of which 1,504 homes were rental stock and 78 homes were inventoried for sale. The occupancy rate of our rental stock at the end of the year was approximately 69%. For homes which have been owned for at least six months, the occupancy rate was approximately 95%. In addition, during Q4 2012 and fiscal 2012, the Company sold 28 and 50 Inventory Homes, respectively, at a gross profit

margin of approximately 8%, which equates to a 32% annualized non-compounded return.

- At year-end, 21% of Tricon’s single-family rental portfolio (by dollars invested) was in Sacramento, 18% in the San Francisco Bay Area, 17% in Southeast Florida, 16% in Charlotte, 14% in Phoenix, 10% in Southern California and 4% in Reno, Nevada.
- On March 12, 2013, the Board of Directors declared a dividend of 6 cents per share to shareholders of record on March 31, 2013 payable on April 15, 2013.

“As evidenced by our strong financial performance, 2012 was a momentous and transformational year for Tricon. In our asset management business, we successfully raised what is by far our largest Canadian fund ever (Tricon XII), had a first close of US\$125 for our new U.S. distressed development fund Tricon XI and closed on a US\$144 million separate account to acquire the Cross Creek Ranch master-planned community in Houston, Texas. Equally important, the investments within our various funds continue to perform essentially in line with expectations,” said David Berman, Chairman and Chief Executive Officer. “We also launched our U.S. distressed single-family rental platform in the second quarter, a principal investment strategy which has thus far exceeded our expectations. Through our ‘hub and spoke’ operating model, we now own approximately 1,800 homes and we are regarded by our peers as a major participant in this burgeoning industry. Looking forward to 2013 and beyond, I expect that our business will continue to grow as we take advantage of the attractive opportunities that we see in the residential real estate market, particularly in the United States.”

Selected Financial Summary

			<u>At Dec. 31 2012</u>	<u>At Dec. 31 2011</u>
Assets Under Management			\$1,115,433,000	\$964,108,000
	<u>Three Months Ended December 31</u>		<u>Year Ended December 31</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Adjusted Base Revenue	\$13,433,000	\$3,023,000	\$31,829,000	\$11,435,000
Comprehensive Income (Loss) ⁽¹⁾	(\$2,514,000)	\$255,000	(\$4,198,000)	\$544,000
Adjusted Base EBITDA ⁽²⁾	\$3,357,000	\$1,202,000	\$11,353,000	\$4,678,000
Adjusted EBITDA ⁽²⁾	\$3,363,000	\$1,202,000	\$11,400,000	\$4,833,000
Adjusted Net Income ⁽²⁾	\$846,000	\$608,000	\$5,641,000	\$2,539,000
Adjusted Funds From Operations ⁽²⁾	\$1,715,000	\$968,000	\$6,081,000	\$3,485,000
Net Income (Loss) – Per Share	(\$0.10)	\$0.01	(\$0.19)	\$0.03
Adjusted Net Income – Per Share ⁽²⁾	\$0.02	\$0.03	\$0.20	\$0.14
Shares Outstanding ⁽³⁾	34,696,264	18,237,404	27,731,820	18,240,004

Notes: (1) Net Income includes several Non-Recurring and Non-Cash items, including a significant LTIP accrual as mandated by IFRS. Please see MD&A for additional detail.

(2) Tricon measures the success of its business by employing several key performance indicators which are not recognized under IFRS, including AUM, Adjusted Base EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Funds From Operations. These indicators should not be considered an alternative to IFRS financial measures such as Net Income. Non-IFRS financial measures do not have standardized definitions prescribed by IFRS and are therefore unlikely to be comparable with other issuers or companies. Refer to our MD&A for a reconciliation of the Non-IFRS measures to the closest comparable IFRS measures.

(3) Weighted average common shares outstanding are shown for all periods.

Conference Call and Webcast

Management will host a conference call at 10 a.m. ET on March 13, 2013, to discuss the results. Please call 416-800-1066 or 1-866-212-4491. The conference call will also be accessible via webcast at www.triconcapital.com (go to Investor Information – Events). A replay of the conference call will be available until midnight March 22, 2013. To access the replay, call 1-866-583-1035, followed by passcode 8166585#.

Forward-Looking Statements

This press release may contain forward-looking statements relating to expected future events and financial and operating results and projections of the Company, including statements regarding future plans, objectives or economic performance that involve risks and uncertainties. Forward-looking information and statements are based on management's expectations, intentions and assumptions. If unknown risks arise, or if any of the assumptions underlying the forward-looking statements prove incorrect, actual results may differ materially from management expectations as projected in such forward-looking statements. Examples of such risks include, but are not limited to, the risks disclosed in the Company's final long form prospectus dated May 14, 2010, the risks disclosed in the Company's final short form prospectus dated April 24, 2012, the risks disclosed in the Company's final short form prospectus dated July 23, 2012, the risks disclosed in the Company's final short form prospectus dated November 27, 2012, the risks disclosed in the Company's final short form prospectus dated February 15, 2013 and the risks described in the Company's continuous disclosure materials from time-to-time, as available on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America's leading residential real estate investment companies with approximately \$1.1 billion of third-party assets under management and a portfolio of approximately 1,700 U.S. single-family rental homes. Tricon provides financing to local operators or developers in select markets in the United States and Canada, with a primary focus on for-sale housing in growing markets. Since inception, Tricon has invested in approximately 150 transactions for development projects valued at more than \$10 billion. More information about Tricon is available at www.triconcapital.com.

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