

## NEWS RELEASE



FOR IMMEDIATE RELEASE

### **Tricon Announces First Quarter 2011 Results and Declares Quarterly Dividend**

**Toronto, Ontario – May 12, 2011** – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced its results for the first quarter ended March 31, 2011. Financial Statements and Management’s Discussion and Analysis are available on the Tricon website at [www.triconcapital.com](http://www.triconcapital.com) and have been filed on SEDAR. Results are prepared in accordance with International Financial Reporting Standards (“IFRS”) and presented in Canadian dollars rounded to the nearest thousand, unless otherwise noted.

#### **Highlights:**

- Net Income for the quarter decreased from \$196,000 in Q1 2010 to a loss of \$195,000. Similarly, EPS for the quarter decreased from \$0.03 per share in Q1 2010 to a loss of \$0.01 per share.
- Contractual management fees declined nominally during the quarter from \$2,552,000 in Q1 2010 to \$2,348,000; however, the impact of reduced performance fees, sizeable unrealized foreign exchange losses, and increased expenses associated with being a public company (Tricon was a private company in Q1 2010) resulted in Adjusted EBITDA declining from \$1,648,000 in Q1 2010 to \$816,000.
- Canadian fund Tricon XII had an initial close on March 23, 2011 for approximately \$70 million. A second close is expected to occur during Q2 2011.
- Fundraising efforts formally commenced for U.S. distressed fund Tricon XI and are progressing satisfactorily. A first close is anticipated during the course of 2011, in line with previous expectations.
- A quarterly dividend of 6 cents per share was declared on May 11, 2011 to shareholders of record on June 30, 2011 and will be payable on July 15, 2011.
- Assets under management increased by approximately \$54.5 million during the first quarter, primarily as a result of Tricon XII’s initial close.

“We are very pleased with the fundraising progress made this quarter for both Tricon XI and Tricon XII. Our existing limited partners have indicated a strong willingness to invest in our new funds, which is a testament to their confidence in our investment strategy and track record” said David Berman, Chairman and Chief Executive Officer. “We expect that we will continue to receive new commitments for both of our new funds throughout the remainder of the year as we broaden our fundraising efforts. This should ultimately result in improved financial results which will create additional value for our shareholders.”

## Selected Financial Summary

	As at	
	March 31, 2011	December 31, 2010
Assets Under Management	\$907,162,000	\$852,636,000
	Three Months Ended March 31,	
	2011	2010
Contractual Management Fees	\$2,348,000	\$2,552,000
Performance Fees	187,000	670,000
Other Revenue	206,000	6,000
Total Revenue	2,741,000	3,228,000
Net Income (Loss) <sup>(1)</sup>	(195,000)	196,000
Adjusted EBITDA <sup>(2)</sup>	816,000	1,648,000
Adjusted Net Income <sup>(2)</sup>	328,000	1,005,000
Net Income (Loss) – Per Share	(0.01)	0.03
Adjusted Net Income – Per Share <sup>(2)</sup>	0.03	0.13
Shares Outstanding	18,240,871	7,803,171

- (1) Net Income includes several Non-Recurring 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 and Adjusted Net Income. 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 Management & Discussion Analysis for a reconciliation of the Non-IFRS measures to the closest comparable IFRS measures.

## Conference Call and Webcast

Management will host a conference call at 10 a.m. ET on May 12, 2011, to discuss the results. Please call 416-644-3418 or 1-800-814-4861. The conference call will also be accessible via webcast at [www.triconcapital.com](http://www.triconcapital.com) (go to Investor Information – Events). A replay of the conference call will be available until midnight May 19, 2011. To access the replay, call 416-640-1917 or 1-877-289-8525, followed by passcode 4432559#

## 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 prospectus dated May 14, 2010, as available at [www.sedar.com](http://www.sedar.com) and the risks described in the Company's continuous disclosure materials from time-to-time. 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 pre-eminent asset managers focused on the residential real estate development industry with approximately \$1 billion of assets under management. Tricon participates in the development of residential properties in Canada and the United States by acting as the manager of limited partnerships that provide financing, typically in the form of participating loans, to developers, with a specific focus on residential land development, single-family homebuilding, multi-family construction and retail developed in conjunction with residential projects. Since inception, Tricon has invested in over 140 transactions for development projects valued at approximately \$9 billion. More information about Tricon is available at [www.triconcapital.com](http://www.triconcapital.com).

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