

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Announces Record Quarter – Key Earnings Metrics Increase More Than 100% Year Over Year

Toronto, Ontario – August 13, 2012 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced its results for the three and six months ended June 30, 2012. Financial Statements and Management’s Discussion and Analysis are available on the Tricon website at www.triconcapital.com and have been filed on SEDAR. Results are prepared in accordance with International Financial Reporting Standards (“IFRS”), except as disclosed in Note 2 below, and are presented in Canadian dollars rounded to the nearest thousand.

Highlights:

- Net and Comprehensive Income for the quarter ending June 30, 2012 (“Q2 2012”) was \$2,159,000, approximately \$2,668,000 higher than the loss of \$509,000 incurred the quarter ending June 30, 2011 (“Q2 2011”). Similarly basic and diluted Earnings per Share for Q2 2012 increased to \$0.08 per share compared to a loss of \$0.03 per share for the corresponding period in 2011.
- Adjusted Base Revenues for Q2 2012 increased by \$2,109,000 or 74% to \$4,951,000 when compared to Q2 2011 primarily as a result of Contractual Management Fees and Interest Earned from the co-investment in and the management of the Cross Creek Ranch separate investment account as well as a General Partner Distribution “catch-up” from Tricon XII LP on an additional commitment of \$10 million.
- Similarly, Adjusted Base EBITDA for Q2 2012 increased by \$1,624,000 or 126% to \$2,912,000; Adjusted EBITDA for Q2 2012 increased by \$1,602,000 or 119% year over year to \$2,949,000; and Adjusted Net Income for Q2 2012 increased by \$1,313,000 or 193% to \$1,994,000 when compared to the corresponding period in 2011.
- Assets Under Management (“AUM”) have continued to grow throughout the course of 2012 and were approximately \$1.2 billion at June 30, 2012 – an increase of over \$200 million from the previous quarter.
- Tricon XII, our largest Canadian focused fund to date, was reopened in May 2012 to admit a new limited partner, thereby increasing fund commitments to \$195,750,000, \$10,000,000 higher than the quarter ended March 31, 2012. An initial close for U.S. distressed fund Tricon XI with a large institutional investor is anticipated for Q3 2012, slightly behind schedule.
- *Tricon continues to successfully deploy capital into its new U.S distressed single-family for rent platform; however, no meaningful income is expected until Q4 2012 as it generally takes 60 to 90 days to renovate, lease and stabilize recently acquired rental properties and to renovate and harvest the flip properties.* At August 10, 2012 over 420 homes were owned across four partnerships including Tricon’s most recent partnership in Southeast Florida which was finalized subsequent to quarter end.

- A quarterly dividend of 6 cents per share was declared on August 9, 2012 to shareholders of record on September 30, 2012 and will be payable on October 15, 2012.

“We are very pleased to announce record quarterly earnings which have been driven by underlying strength in our base asset management business in general and the formation of our first separate account to acquire a trophy land asset in Houston, in particular” said David Berman, Chairman and Chief Executive Officer. “Also, although legal documentation has taken longer than expected, we are on the verge of a first close for Tricon XI with subsequent closings expected over the next 12 months. This should generate significant AUM growth, which in turn will drive increased management fees, EBITDA and net income. Finally, although our U.S. distressed single-family rental strategy is not expected to make a meaningful contribution to our earnings until Q4, our business plans are progressing on schedule and we have been actively building a national platform which we expect to rank amongst the leaders in this burgeoning industry.”

Selected Financial Summary

| | | | <u>At June 30 2012</u> | <u>At Dec. 31 2011</u> |
|--|-----------------------------------|-------------|---------------------------------|------------------------|
| Assets Under Management | | | \$1,193,152,000 | \$964,108,000 |
| | <u>Three Months Ended June 30</u> | | <u>Six Months Ended June 30</u> | |
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Adjusted Base Revenue | \$4,951,000 | \$2,842,000 | \$8,250,000 | \$5,413,000 |
| Net Income (Loss) ⁽¹⁾ | \$2,159,000 | (\$509,000) | \$2,402,000 | (\$704,000) |
| Adjusted Base EBITDA ⁽²⁾ | \$2,912,000 | \$1,288,000 | \$4,621,000 | \$2,387,000 |
| Adjusted EBITDA ⁽²⁾ | \$2,949,000 | \$1,347,000 | \$4,658,000 | \$2,540,000 |
| Adjusted Net Income ⁽²⁾ | \$1,994,000 | \$681,000 | \$3,103,000 | \$1,339,000 |
| Adjusted Funds From Operations ⁽²⁾ | \$2,159,000 | \$710,000 | \$3,418,000 | \$1,519,000 |
| Net Income (Loss) – Per Share | \$0.08 | (\$0.03) | \$0.11 | (\$0.04) |
| Adjusted Net Income – Per Share ⁽²⁾ | \$0.07 | \$0.04 | \$0.14 | \$0.07 |
| Shares Outstanding | 31,167,971 | 18,240,871 | 31,167,971 | 18,240,871 |

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 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 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 August 13, 2012, 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 August 20, 2012. To access the replay, call 1-866-583-1035, followed by passcode 2846784#.

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 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 \$1.2 billion of assets under management and a growing portfolio of 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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