

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Continues on Strong Growth Trajectory With Record Q3 2012 Earnings

Toronto, Ontario – November 12, 2012 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced its results for the three and nine months ended September 30, 2012 (“Q3 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:

- Total Adjusted Base Revenues for the quarter ended September 30, 2012 increased by 277% from \$2,690,000 to \$10,146,000 when compared to the quarter ended September 30, 2011 (“Q3 2011”) and were bolstered by the sale of U.S. single-family homes.
- Adjusted EBITDA for Q3 2012 increased by 210% from \$1,091,000 to \$3,379,000.
- Adjusted Net Income for the quarter was \$1,692,000, 186% higher than the quarter ended September 30, 2011. Similarly, Adjusted Basic and Diluted Earnings per Share for the quarter increased to \$0.05 per share from \$0.03 per share for the corresponding period in 2011.
- In Q3 2012, an initial close of US\$125 million occurred for U.S. distressed fund Tricon XI, with one of the largest U.S. pension plans and the Company committing US\$100 million and US\$25 million, respectively. Fundraising will continue with subsequent closings permitted until approximately September 2013.
- AUM for the quarter ending September 30, 2012 was \$1.1 billion - approximately \$139.8 million lower than June 30, 2012 and approximately \$89.2 million higher than December 31, 2011. The decrease in the quarterly AUM resulted from the run-off of old funds and was partially offset by increases in AUM from the initial close of Tricon XI and higher capital deployed to the U.S. single-family rental strategy.
- Since inception in Q2 2012, the Company’s U.S. single-family home platform has generated Net Operating Income of \$831,000 - primarily from the disposition of homes designated for sale. It should be noted that no meaningful net rental income contribution is anticipated until 2013.
- The Company purchased 488 homes during the quarter thereby increasing its US. Single-family housing portfolio to 651 homes as of September 30, 2012. Of these, 605 homes are

rental stock and 46 are designated for future sale. Subsequent to quarter end, the Company increased its rental portfolio to over 700 homes. In addition, 22 homes were sold during the quarter generating an approximate 9% profit margin with an average 73 day hold period, equivalent to an approximate 45% per annum annualized return.

- At quarter end, 26% of Tricon’s single-family rental portfolio was invested in Sacramento, 24% in Southeast Florida, 19% in the San Francisco Bay Area, 19% in Phoenix, 8% in Southern California and 4% in Reno, Nevada. 316 of the 605 homes were leased at quarter end at a weighted average gross yield of 12.6%. The remaining homes were largely under renovation or in the process of being marketed for lease.
- On November 9, 2012, the Board of Directors declared a dividend of 6 cents per share to shareholders of record on December 31, 2012 payable on January 15, 2013.

“For the second consecutive quarter we are very pleased to announce record quarterly earnings. This quarter’s results were highlighted by the first close of Tricon XI, our new U.S. distressed land / housing fund, which bodes well for additional closings in 2013” said David Berman, Chairman and Chief Executive Officer. “Furthermore, our U.S. single-family rental strategy made significant strides this quarter with the acquisition of nearly 500 homes. Most of these homes are still in the process of being renovated and leased and as such will only make a meaningful contribution to our financial results in the ensuing quarters. Overall, I am very pleased with our year-to-date performance and believe that both our asset management and principal investing businesses are well positioned to capitalize on a U.S. housing market recovery and thereby create value for our shareholders for years to come”.

Selected Financial Summary

			<u>At Sep. 30 2012</u>	<u>At Dec. 31 2011</u>
Assets Under Management			\$1,053,312,000	\$964,108,000
	<u>Three Months Ended September 30</u>		<u>Nine Months Ended September 30</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Adjusted Base Revenue	\$10,146,000	\$2,690,000	\$18,396,000	\$8,103,000
Net Income (Loss) ⁽¹⁾	(\$4,086,000)	\$993,000	(\$1,684,000)	\$289,000
Adjusted Base EBITDA ⁽²⁾	\$3,375,000	\$1,089,000	\$7,996,000	\$3,476,000
Adjusted EBITDA ⁽²⁾	\$3,379,000	\$1,091,000	\$8,037,000	\$3,631,000
Adjusted Net Income ⁽²⁾	\$1,692,000	\$592,000	\$4,795,000	\$1,931,000
Adjusted Funds From Operations ⁽²⁾	\$945,000	\$888,000	\$4,367,000	\$2,407,000
Net Income (Loss) – Per Share	(\$0.13)	\$0.05	(\$0.07)	\$0.02
Adjusted Net Income – Per Share ⁽²⁾	\$0.05	\$0.03	\$0.19	\$0.11
Shares Outstanding ⁽³⁾	31,167,971	18,240,871	25,417,971	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 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 Management & Discussion Analysis 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 November 12, 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 November 19, 2012. 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 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 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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