

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Reports 3Q13 Adjusted EPS of \$0.15 - a 200% Increase YOY

Toronto, Ontario – November 12, 2013 – Tricon Capital Group Inc. today announced results for the three months ended September 30, 2013 (3Q13).

David Berman, Chairman and Chief Executive Officer, stated “We had another strong quarter and continue to deliver our most positive year to date. Growth has been driven by our co-investment in Tricon IX and further momentum in Tricon American Homes (SFR), which generated 3Q13 investment income of \$8.2 million and \$2.7 million, respectively. Both segments of our business produced meaningful cash flow and continue to outperform our goals. Furthermore, on October 31 we announced a third close for Tricon XI, exceeding our \$300 million target, while we secured two new transactions in the third quarter. These contributed to 54% year over year growth in AUM to a record \$1.6 billion. In addition, we strengthened our balance sheet significantly over the past quarter, which will support further growth as we benefit from a broader recovery that is still unfolding in the U.S. housing market.”

3Q13 Financial Highlights (summarized in table below):

- Adjusted Base Revenue increased 260% YOY to \$17.7 million. This significant increase was driven by investment income from our acquisition of 68.4% of Tricon IX, continued momentum in Tricon American Homes (our U.S. single-family rental strategy), Contractual Fees generated from the second close of Tricon XI and two new transactions.
- Adjusted EBITDA increased 409% YOY to \$17.2 million, resulting in YTD Adjusted EBITDA of \$40.6 million. The improvement was driven by revenue growth, augmented by fair value adjustments to investments in Tricon American Homes as well as Deemed Performance Fees from the Tricon IX acquisition.
- Adjusted Net Income increased 511% YOY to \$10.1 million. Adjusted Basic EPS and Adjusted Diluted EPS increased to \$0.15 and \$0.12 respectively, despite a 118% and 180% YOY increase in our weighted average share count to 68.0 million and 87.2 million respectively.
- On November 12, 2013, the Board of Directors declared a dividend of \$0.06 cents per share to shareholders of record on December 31, 2013 payable on January 15, 2014.

3Q13 Operational Highlights:

- Tricon XI had a second close on September 13, 2013 and a third close on October 31, 2013, increasing total fund capitalization to US\$301.5 million.

- The Company secured two large transactions representing US\$117.5 million for the development of two institutional quality master-planned communities. Fulshear Farms is a US\$50.0 million investment located in Houston, Texas, 90% of which has been syndicated to a Canadian institutional investor by way of a separate account. Vistancia West is a US\$67.5 million investment located in Phoenix, Arizona; Tricon XI committed 20% and the Company has warehoused the remaining 80% with the intent to syndicate approximately 90% of that to an institutional investor.
- AUM at September 30, 2013 of \$1.6 billion represented a 54% YOY and 25% sequential increase.
- The Company's investment in Tricon American Homes generated Gross Rental Operating Income of \$4.0 million. In addition, home prices increased by \$10.9 million over the prior quarter, rising by 4-5% in each of our key markets. This gain was offset by \$10.3 million of capital expenditures (which should ultimately generate further increases in value), operator performance fees, non-controlling interest and other sundry costs. This resulted in net unrealized fair value appreciation of \$581,000. Note that all references are sequential and YOY comparisons are not meaningful as Tricon American Homes was launched in 2Q12.
- The Single-Family Gross Rental Operating Income margin improved by 100 bps to 62% quarter-over-quarter. This improvement is a result of an increase in the portfolio's occupancy rate to 80% this quarter from 74% in 2Q13. Occupancy rate for rental homes owned six months or longer increased to 92% from 90% quarter-over-quarter.

Selected Financial Summary

			<u>At Sept. 30 2013</u>	<u>At Dec. 31 2012</u>	<u>% Change</u>
Assets Under Management			\$1,624,430,000	\$1,115,433,000	46%
	<u>Three Months Ended Sept. 30</u>		<u>Nine Months Ended Sept. 30</u>		<u>% Change</u>
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Adjusted Base Revenue	\$17,701,000	\$4,923,000	\$29,006,000	\$13,041,000	122%
Net Income (Loss)	(\$2,219,000)	(\$4,086,000)	\$19,843,000	(\$1,683,000)	-1279%
Adjusted Base EBITDA	\$15,526,000	\$3,340,000	\$22,915,000	\$8,705,000	163%
Adjusted EBITDA	\$17,188,000	\$3,379,000	\$40,594,000	\$8,037,000	405%
Adjusted Net Income	\$10,053,000	\$1,645,000	\$22,587,000	\$4,573,000	394%
Basic Earnings Per Share	(\$0.03)	(\$0.13)	\$0.39	(\$0.07)	-657%
Diluted Earnings Per Share	(\$0.03)	(\$0.13)	\$0.31	(\$0.07)	-543%
Adjusted Basic Earnings Per Share	\$0.15	\$0.05	\$0.45	\$0.18	150%
Adjusted Diluted Earnings Per Share	\$0.12	\$0.05	\$0.33	\$0.18	83%
Weighted Average Basic Shares O/S	68,042,566	31,167,971	50,521,380	25,417,971	99%
Weighted Average Diluted Shares O/S	87,227,946	31,181,721	67,698,872	25,427,971	166%
Dividends Per Share	\$0.06	\$0.06	\$0.06	\$0.06	0%

Conference Call and Webcast

Management will host a conference call at 10 a.m. ET on November 13, 2013, to discuss the results. Please call 647-788-4901 or 1-877-201-0168. 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 from noon on November 13, 2013 until midnight on November 20, 2013. To access the replay, call 1-855-859-2056, followed by pass code 70855781#.

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 financial information is presented in Canadian dollars.

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 subsequent final short form prospectuses issued through July 26, 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 \$1.6 billion of assets under management and a portfolio of approximately 3,000 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 160 transactions for development projects valued at more than \$11 billion. More information about Tricon is available at www.triconcapital.com.

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