

May 7, 2013

ALTUS GROUP REPORTS FIRST QUARTER FINANCIAL RESULTS FOR 2013

ARGUS Software Delivers Strong Performance

TORONTO, ONTARIO (Marketwired - May 7, 2013) - Altus Group Limited ("Altus") (TSX:AIF) today announced financial and operating results for the first quarter ended March 31, 2013.

Revenues for the quarter were \$76.2 million, compared to \$86.2 million for the same period in 2012, representing a decline of 11.6%. Adjusted EBITDA was \$12.3 million, down 11.6% from \$13.9 million in the same period last year. Strong quarterly results from value added offerings at ARGUS Software and North America RVA were primarily offset by adverse weather affecting Geomatics, lower year over year results in North America Cost and key strategic hires.

Highlights:

- Solid performance from ARGUS Software, as revenues rose 21%, and adjusted EBITDA was up 171% Y/Y on 24% adjusted EBITDA margins;
- North America RVA delivered strong results, as revenues rose 6.9% and adjusted EBITDA was up 34.5% Y/Y;
- Sale of Altus Residential Limited to Real Matters Inc. for \$8.2 million, resulted in a gain of \$5.3 million;
- Adjusted earnings per share came in at \$0.25 for the quarter, compared to \$0.27 in 2012; and,
- Declared dividends of \$0.15 per common share and launched a Dividend Reinvestment Plan.

"Our solid results from ARGUS affirm our turnaround and the software opportunity. Additionally, healthy North America RVA performance furthers our value added services strategy in the US market," said Robert Courteau, Chief Executive Officer, Altus Group. "Altus continues to focus on strengthening each business unit to underpin our core operations. I remain strongly optimistic about our plans to realize greater synergies across all business units, and drive innovation from our software and data solutions."

Adjusted earnings per share for the first quarter of 2013 came in at \$0.25, compared to \$0.27 in the same period 2012. Under IFRS accounting, profit (loss) for the quarter ended March 31, 2013 was \$6.8 million, or \$0.30 per share, basic and \$0.26 per share, diluted, compared to \$2.9 million, or \$0.12 per share, basic and \$0.09 per share, diluted, in Q1 2012.

During the quarter, we sold our 100% interest in Altus Residential Limited to Real Matters Inc. ("Real Matters") for \$8.2 million, which was settled through the issuance of additional Real Matters shares. This resulted in an accounting gain of \$5.3 million.

In connection with the restructuring activities at ARGUS Software, a total of \$1.1 million was recorded in the first quarter of 2013. These charges relate primarily to employee severance costs.

Altus introduced a Dividend Reinvestment Plan during the quarter, and declared a dividend of \$0.15 per share for the period.



Analyst Call Details

Altus will hold an analyst conference call at 5:30 p.m. Eastern Time on Tuesday, May 7, 2013, to discuss these financial results and current industry conditions. Please dial 1-866-226-1792 (toll-free) or 416-340-2216 (GTA) to access the call. A recording of this call will be available beginning at 11:00 a.m. ET on May 8 until May 15, 2013. To access the recording, please call 1-800-408-3053 or 905-694-9451 (passcode: 9184271). The recording will also be available at altusgrouplimited.com

About Altus Group

Altus leads the global real estate industry in offering professional real estate advisory services, data solutions and intelligence about an organization's assets, generating a wealth of knowledge and insight. With a staff of over 1,700, Altus has a network of over 50 offices in a number of countries worldwide, including Canada, the United Kingdom, the United States, Australia and China. We operate five interrelated Business Units, bringing years of experience and a broad range of expertise together into one comprehensive platform: *Research, Valuation and Advisory; Cost Consulting and Project Management; Realty Tax Consulting; Geomatics, and ARGUS Software*. Altus' clients include banks, financial institutions, governments, pension funds, asset and fund managers, developers and landlords and companies engaged in the oil and gas industry.

Forward-Looking Information

Certain information in this press release may constitute "forward-looking information" within the meaning of applicable securities legislation. Generally, forward-looking information can be identified by use of words such as "may", "will", "expect", "believe", "plan", "would", "could" and other similar terminology. Inherent in the forward-looking information are known and unknown risks, uncertainties and other factors which could cause actual results, performance or achievements of Altus, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking information. Those risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information include: general state of the economy; competition in the industry; ability to attract and retain professionals; integration of acquisitions; dependence on oil and gas sector; dependence on Canadian multi-residential market; customer concentration; currency risk; interest rate risk; reliance on larger software transactions with longer and less predictable sales cycles; success of new product introductions; ability to respond to technological change and develop products on a timely basis; ability to maintain profitability and manage growth; revenue and cash flow volatility; credit risk; protection of intellectual property or defending against claims of intellectual property rights of others; weather; fixed-price and contingency engagements; operating risks; performance of obligations/maintenance of client satisfaction; appraisal mandates; legislative and regulatory changes; risk of future legal proceedings; insurance limits; income tax matters; ability to meet solvency requirements to pay dividends; leverage and restrictive covenants; unpredictability and volatility of common share price; capital investment; and issuance of additional common shares diluting existing shareholders' interests, as well as those described in Altus' publicly filed documents, including the Annual Information Form (which are available on SEDAR at www.sedar.com). Given these risks, uncertainties and other factors, investors should not place undue reliance on forward-looking information as a prediction of actual results. The forward-looking information reflects Altus' and management's current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although Altus has attempted to identify important factors that could cause actual results to differ materially from the forward-



looking information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking information contained herein is current as of the date of this press release and, except as required under applicable law, Altus does not undertake to update or revise it to reflect new events or circumstances. Additionally, Altus undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus, its financial or operating results, or its securities.

Non-IFRS Measures

Altus uses certain non-IFRS measures as indicators of financial performance. Readers are cautioned that they are not defined performance measures under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to financial measures as reported by those entities. We believe that these measures are useful supplemental measures that may assist investors in assessing an investment in shares of Altus and provide more insight into our performance.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, (“Adjusted EBITDA”), represents operating profit (loss) adjusted for the effect of amortization of intangibles, depreciation of property, plant and equipment, acquisition-related expenses (income), restructuring costs, share of profit or loss of associate, unrealized foreign exchange gains (losses), gains (losses) on sale of property, plant and equipment, gains (losses) on sale of business assets, impairment charges, Executive Compensation Plan costs , gains (losses) on hedging transactions and other expenses or income of a non-operating and/or non-recurring nature.

Adjusted Earnings (Loss) per Share, (“Adjusted EPS”), represents basic earnings per share adjusted for the effect of amortization of intangibles acquired as part of business acquisitions, non-cash finance costs (income) related to the revaluation of amounts payable to unitholders’, distributions related to amounts payable to unitholders’, acquisition-related expenses (income), restructuring costs, share of profit or loss of associate, unrealized foreign exchange gains (losses), gains (losses) on sale of property, plant and equipment, gains (losses) on sale of business assets, interest accretion on vendor payables, gain (loss) on settlement of US convertible debentures, impairment charges, Executive Compensation Plan costs, gains (losses) on hedging transactions and other expenses or income of a non-operating and/or non-recurring nature. All of the adjustments are made net of tax.

FOR FURTHER INFORMATION PLEASE CONTACT:

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SELECTED FINANCIAL INFORMATION		
Three Months Ended, March 31		
In Thousands of Dollars, except for		
per share amounts	2013	2012
Operations		
Revenues	\$ 76,154	\$ 86,178
Adjusted EBITDA	12,253	13,863
Operating profit (loss)	11,724	8,691
Profit (loss)	6,843	2,868
Earnings (loss) per share:		
Basic	\$0.30	\$0.12
Diluted	\$0.26	\$0.09
Adjusted	\$0.25	\$0.27
Dividends/Distributions declared per share	\$0.15	\$0.15

SEGMENTED INFORMATION						
Three Months Ended, March 31						
In Thousands of Dollars	Revenues			Adjusted EBITDA		
	2013	2012	% Change	2013	2012	% Change
North America RVA	\$ 18,664	\$ 17,455	6.9%	\$ 5,032	\$ 3,742	34.5%
North America Realty Tax	15,173	14,447	5.0%	3,298	4,032	(18.2%)
North America Cost	7,688	15,319	(49.8%)	1,420	2,354	(39.7%)
North America Geomatics	15,794	18,371	(14.0%)	3,143	5,849	(46.3%)
Argus Software	8,605	7,110	21.0%	2,105	777	170.9%
UK	5,237	5,015	4.4%	1,291	1,173	10.1%
Asia Pacific Cost	5,054	8,545	(40.9%)	125	628	(80.1%)
Corporate	-	-	-	(4,161)	(4,654)	10.6%
Eliminations	(61)	(84)	27.4%	-	(38)	100.0%
Total	\$ 76,154	\$ 86,178	(11.6%)	\$ 12,253	\$ 13,863	(11.6%)



RECONCILIATION OF ADJUSTED EBITDA TO PROFIT (LOSS)		
Three Months Ended, March 31		
In Thousands of Dollars	2013	2012
Adjusted EBITDA	\$ 12,253	\$ 13,863
Depreciation & amortization	(4,649)	(5,607)
Acquisition related (expenses) income	(210)	-
Share of profit (loss) of associate	(78)	(400)
Unrealized foreign exchange gain (loss)	371	1,410
Gain (loss) on sale of property, plant and equipment	(6)	1,451
Gain (loss) on hedging transactions	-	190
Gain (loss) on sale of certain business assets	5,278	-
Stock options and other equity-settled performance plan costs	(102)	(55)
Restructuring costs	(1,133)	(1,786)
Other non-operating and/or non-recurring costs	-	(375)
Operating profit	11,724	8,691
Finance (costs) income, net	(3,943)	(5,230)
Profit (loss) before income tax	7,781	3,461
Income tax recovery (expense)	(938)	(593)
Profit (loss)	\$ 6,843	\$ 2,868



Interim Condensed Consolidated Statements of Comprehensive Income (Loss) For the Three Months Ended March 31, 2013 and 2012 (Unaudited)

(Expressed in Thousands of Canadian Dollars, Except for Shares and Per Share Amounts)

	Three months ended March 31	
	2013	2012
Revenues		
Revenues	\$ 76,154	\$ 86,178
Less: disbursements	7,297	12,638
Net revenue	68,857	73,540
Expenses		
Employee compensation	45,743	47,769
Occupancy	3,540	3,218
Office and other operating	7,058	6,069
Amortization of intangibles	3,521	4,436
Depreciation of property, plant and equipment	1,128	1,171
Acquisition related expenses (income)	210	-
Share of (profit) loss of associate	78	400
Restructuring costs	1,133	1,786
(Gain) loss on sale of certain business assets	(5,278)	-
Operating profit (loss)	11,724	8,691
Finance costs (income), net	3,943	5,230
Profit (loss) before income tax	7,781	3,461
Income tax expense (recovery)	938	593
Profit (loss) for the period attributable to equity holders	\$ 6,843	\$ 2,868
Other comprehensive income (loss):		
Cash flow hedges	51	919
Currency translation differences	1,299	(3,274)
Other comprehensive income (loss), net of tax	1,350	(2,355)
Total comprehensive income (loss) for the period, net of tax, attributable to equity holders	\$ 8,193	\$ 513
Earnings (loss) per share attributable to the equity holders of the Company during the period		
Basic earnings (loss) per share	\$0.30	\$0.12
Diluted earnings (loss) per share	\$0.26	\$0.09



Interim Condensed Consolidated Balance Sheets

As at March 31, 2013 and 2012

(Unaudited)

(Expressed in Thousands of Canadian Dollars)

	March 31, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$ 5,309	\$ 4,703
Trade and other receivables	103,208	105,746
Current income taxes recoverable	1,076	637
	109,593	111,086
Non-current assets		
Trade and other receivables	294	3,320
Investment in associate	14,502	6,380
Deferred income taxes	12,593	12,429
Property, plant and equipment	18,292	18,663
Intangibles	77,987	80,022
Goodwill	186,489	186,139
	310,157	306,953
Total Assets	\$ 419,750	\$ 418,039
Liabilities		
Current liabilities		
Trade and other payables	\$ 66,968	\$ 69,599
Current income taxes payable	444	997
Borrowings	905	1,361
Provisions	2,034	2,098
	70,351	74,055
Non-current liabilities		
Trade and other payables	6,767	6,120
Borrowings	204,082	205,449
Derivative financial instruments	3,718	3,783
Provisions	613	102
Deferred income taxes	1,425	1,084
Amounts payable to unitholders	3,026	3,052
	219,631	219,590
Total Liabilities	289,982	293,645
Shareholders' Equity		
Share capital	277,948	279,227
Equity component of convertible debentures	6,356	6,356
Contributed surplus	5,512	3,598
Accumulated other comprehensive income (loss)	383	(967)
Deficit	(160,431)	(163,820)
Total Shareholders' Equity	129,768	124,394
Total Liabilities and Shareholders' Equity	\$ 419,750	\$ 418,039



Interim Condensed Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2013 and 2012

(Unaudited)

(Expressed in Thousands of Canadian Dollars)

	Three months ended March 31	
	2013	2012
Cash flows from operating activities		
Profit (loss) before income tax	\$ 7,781	\$ 3,461
Adjustments for:		
Amortization of intangibles	3,521	4,436
Depreciation of property, plant and equipment	1,128	1,171
Amortization of lease inducements	47	36
Tax credits recorded through employee compensation	(521)	-
Finance costs (income), net	3,943	5,230
Share-based compensation	121	55
Unrealized foreign exchange (gain) loss	(371)	(1,410)
Unrealized (gain) loss on hedging transactions	-	(190)
(Gain) loss on sale of certain business assets	(5,278)	-
(Gain) loss on disposal of property, plant and equipment	6	(1,451)
Share of (profit) loss of associate	78	400
Net changes in operating working capital	1,194	(7,076)
	11,649	4,662
Less: interest paid	(1,588)	(3,555)
Less: income tax paid	(1,040)	(138)
Income tax received	108	609
Net cash provided by (used in) operating activities	9,129	1,578
Cash flows from financing activities		
Proceeds from exercise of options	514	-
Financing fees paid	-	(15)
Repayment of borrowings	(2,513)	(3,949)
Dividends paid	(3,440)	(3,456)
Treasury shares purchased under Restricted Share Plan	(2,277)	-
Interest paid to other unitholders	(56)	(61)
Net cash provided by (used in) financing activities	(7,772)	(7,481)
Cash flows from investing activities		
Purchase of intangibles	(16)	(710)
Purchase of property, plant and equipment	(754)	(1,435)
Proceeds from disposal of property, plant and equipment	15	5,254
Net cash provided by (used in) investing activities	(755)	3,109
Effect of foreign currency translation	4	119
Net increase (decrease) in cash and cash equivalents	606	(2,675)
Cash and cash equivalents		
Beginning of period	4,703	6,590
End of period	\$ 5,309	\$ 3,915