



**COUNSEL  
RB CAPITAL INC**

**News Announcement**

**COUNSEL RB CAPITAL REPORTS 2012 Q4 AND FULL-YEAR OPERATING  
RESULTS AND UPDATES ON ONGOING CORPORATE PROGRESS**

WHITE PLAINS, NY, and TORONTO, CANADA March 28, 2013 – Counsel RB Capital Inc. (OTCQB: CRBN) (the “Company”), a leader in distressed and surplus capital asset transactions, today reported financial results for the fourth quarter and twelve months ended December 31, 2012 as summarized below.

| <b>Summary Financial Data</b>   |                                    |             |                                     |             |
|---|------------------------------------|-------------|-------------------------------------|-------------|
| (unaudited – Three months ended December 31)                              |                                    |             |                                     |             |
| (audited – Twelve months ended December 31)                               |                                    |             |                                     |             |
| (\$ in thousands, except per share amounts)                               | Three months ended<br>December 31, |             | Twelve months ended<br>December 31, |             |
|   | <u>2012</u>                        | <u>2011</u> | <u>2012</u>                         | <u>2011</u> |
| Total Asset liquidation revenue <sup>(1)</sup>                            | \$ 4,211                           | \$ 2,620    | \$ 14,128                           | \$ 17,238   |
| Earnings of equity accounted asset liquidation investments <sup>(2)</sup> | 574                                | (12)        | 2,023                               | 2,183       |
| Operating income (loss)   | (1,349)                            | (114)       | (2,453)                             | 4,583       |
| Net income (loss)   | (782)                              | 26,124      | (1,813)                             | 30,713      |
| Earnings (loss) per diluted common share                                  | \$ (0.03)                          | \$ 0.95     | \$ (0.06)                           | \$ 1.13     |

<sup>(1)</sup> Represents revenue generated from activities where Counsel RB acted in a principal capacity or had majority interest in a transaction.

<sup>(2)</sup> Represents equity income from activities where Counsel RB acted as a member of a syndicate in a transaction.

**2012 Q4 Summary:**

- The Company’s operating loss was approximately \$1,349,000, compared to an operating loss of \$114,000 in the 2011 period.
- Combined asset liquidation revenue and earnings of equity accounted asset liquidation investments (pre-tax) increased 83% to \$4.8 million.
- Asset sale proceeds increased \$1.4 million to \$2.7 million, compared to \$1.3 million in the prior year period.
- Commissions and other revenue increased 14% to \$1.5 million, compared to approximately \$1.3 million in the year-ago period.
- SG&A expenditures, including expenses to related parties, were \$3.3 million, versus \$1.5 million. The increase primarily reflects higher compensation expense related to asset advisory and auction services firm Heritage Global Partners (“HGP”), which was acquired in the first quarter of 2012, as well as expenses related to the Company’s European and Latin American expansions.
- Total operating costs and expenses increased to \$6.1 million from \$2.7 million in Q4 2011, largely due to an approximate \$1.4 million increase in asset liquidation costs and the rise in SG&A and inventory maintenance expense.
- Net loss for the period was approximately \$782,000, or a loss per basic and diluted common share of \$0.03.

Counsel RB Capital Co-CEO Adam Reich stated, “Counsel RB made important operational strides throughout the past twelve months. We achieved two key objectives by adding considerable scale and

capabilities to our growing international organization through the acquisition of leading in-house auction and asset advisory services firm Heritage Global Partners (“HGP”) and the expansion of our international operations and, in particular, the launch of Heritage Global Partners Europe, which opened three new offices in the UK, Germany and Spain during the fourth quarter. In line with our stated objectives, these growth initiatives have successfully expanded Counsel RB’s global platform — further broadening the Company’s menu of capital asset solutions and services while creating valuable new opportunities for our growing base of corporate clients.”

Co-CEO Jonathan Reich added, “We are encouraged by the progress we have made over the past several years towards our goal of building Counsel RB into a world leader in capital asset transactions and services. The investments we made in 2012 extended our reach into a number of attractive new markets, adding further diversification to our growing worldwide footprint, creating additional value for Counsel RB and its stakeholders. Looking forward, we believe there is a solid foundation in place to help us achieve our long-term goal of increasing the Company’s principal and fee-based revenue channels, and we remain confident about Counsel RB’s prospects as we move through 2013 and beyond.”

**About Counsel RB Capital ([www.counselrb.com](http://www.counselrb.com))**

Counsel RB Capital Inc. (OTCQB: CRBN) is a value-driven, innovative leader in monetizing surplus capital assets. The Company specializes in acquiring turnkey manufacturing facilities, surplus industrial machinery and equipment, industrial inventories, accounts receivable portfolios and related intellectual property. Our subsidiary, Heritage Global Partners, Inc. ([www.hgpauction.com](http://www.hgpauction.com)), is a global leader in auction, asset advisory and appraisal services.

**Forward-Looking Statements**

The statements made in this release that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical facts, which address the Company's expectations, should be considered as forward-looking statements. Such statements are based on knowledge of the environment in which the Company currently operates, but because of the factors listed herein, as well as other factors beyond the Company's control, actual results may differ materially from the expectations expressed in the forward-looking statements. Important factors that may cause actual results to differ from anticipated results include, but are not limited to, obtaining necessary approvals and other risks detailed from time to time in the Company's securities and other regulatory filings.

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-financial tables follow-

**COUNSEL RB CAPITAL INC.**  
**CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**AND COMPREHENSIVE INCOME**

(unaudited – Three months ended December 31)

(audited – Twelve months ended December 31)

(in thousands of US dollars, except share and per share amounts)

|  | Three months ended<br>December 31, |                  | Twelve months ended<br>December 31, |                  |
|--|------------------------------------|------------------|-------------------------------------|------------------|
|  | <u>2012</u>                        | <u>2011</u>      | <u>2012</u>                         | <u>2011</u>      |
| Revenue:   |                                    |                  |                                     |                  |
| Asset liquidation  |                                    |                  |                                     |                  |
| Asset sales  | \$ 2,726                           | \$ 1,318         | \$ 7,901                            | \$ 14,733        |
| Commissions and other  | 1,485                              | 1,302            | 6,227                               | 2,505            |
| Total asset liquidation revenue  | <u>4,211</u>                       | <u>2,620</u>     | <u>14,128</u>                       | <u>17,238</u>    |
|  |                                    |                  |                                     |                  |
| Operating costs and expenses:  |                                    |                  |                                     |                  |
| Asset liquidation  | 2,641                              | 1,208            | 7,001                               | 8,244            |
| Inventory maintenance  | 97                                 | (25)             | 89                                  | 1,522            |
| Patent licensing and maintenance                                       | 12                                 | 9                | 50                                  | 84               |
| Selling, general and administrative                                    | 3,078                              | 1,391            | 10,341                              | 4,408            |
| Expenses paid to related parties                                       | 182                                | 138              | 716                                 | 578              |
| Depreciation and amortization  | 124                                | 1                | 407                                 | 2                |
| Total operating costs and expenses                                     | <u>6,134</u>                       | <u>2,722</u>     | <u>18,604</u>                       | <u>14,838</u>    |
|  | <u>(1,923)</u>                     | <u>(102)</u>     | <u>(4,476)</u>                      | <u>2,400</u>     |
| Earnings of equity accounted asset liquidation investments             | 574                                | (12)             | 2,023                               | 2,183            |
| Operating income (loss)  | <u>(1,349)</u>                     | <u>(114)</u>     | <u>(2,453)</u>                      | <u>4,583</u>     |
| Other income (expenses):   |                                    |                  |                                     |                  |
| Other income (expenses)  | 363                                | 6                | 64                                  | 30               |
| Interest expense – total third and related party                       | (115)                              | (64)             | (290)                               | (245)            |
| Total other income (expenses)  | <u>248</u>                         | <u>(58)</u>      | <u>(226)</u>                        | <u>(215)</u>     |
| Income (loss) before undernoted  | <u>(1,101)</u>                     | <u>(172)</u>     | <u>(2,679)</u>                      | <u>4,368</u>     |
| Income tax expense (recovery)  | (366)                              | (26,281)         | (978)                               | (26,317)         |
| Earnings (loss) of other equity accounted investments (net of \$0 tax) | (47)                               | 15               | (112)                               | 28               |
| Net income (loss)  | <u>(782)</u>                       | <u>26,124</u>    | <u>(1,813)</u>                      | <u>30,713</u>    |
| Other comprehensive loss:  |                                    |                  |                                     |                  |
| Currency translation adjustment  | (7)                                | --               | (7)                                 | --               |
| Comprehensive income (loss)  | <u>\$ (789)</u>                    | <u>\$ 26,124</u> | <u>\$ (1,820)</u>                   | <u>\$ 30,713</u> |
| Weighted average common shares outstanding – basic (in thousands)      | 28,945                             | 27,114           | 28,292                              | 26,834           |
| Weighted average common shares outstanding – diluted (in thousands)    | 28,945                             | 27,418           | 28,292                              | 27,096           |
| Weighted average preferred shares outstanding                          | 1                                  | 1                | 1                                   | 1                |
| Earnings (loss) per share – basic                                      | \$ (0.03)                          | \$ 0.96          | \$ (0.06)                           | \$ 1.14          |
| Earnings (loss) per share – diluted                                    | \$ (0.03)                          | \$ 0.95          | \$ (0.06)                           | \$ 1.13          |

The notes contained in our Annual Report on Form 10-K are an integral part of these condensed consolidated financial statements.

-balance sheets follow-

**COUNSEL RB CAPITAL INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(audited)

(in thousands of US dollars, except share and per share amounts)

|  | As of<br>December 31,<br>2012 | As of<br>December 31,<br>2011 |
|--|-------------------------------|-------------------------------|
| <b>ASSETS</b>  |                               |                               |
| Current assets:  |                               |                               |
| Cash and cash equivalents  | \$ 4,314                      | \$ 6,672                      |
| Amounts receivable (net of allowance for doubtful accounts of \$0; 2011 - \$186)   | 1,068                         | 917                           |
| Receivable from a related party  | 2,929                         | 595                           |
| Deposits   | 1,481                         | 69                            |
| Inventory – equipment  | 820                           | 1,013                         |
| Other current assets   | 312                           | 148                           |
| Income taxes recoverable   | 70                            | --                            |
| Deferred income tax assets   | 1,956                         | 2,419                         |
| Total current assets   | 12,950                        | 11,833                        |
| Other assets:  |                               |                               |
| Inventory – real estate  | 6,078                         | 2,131                         |
| Asset liquidation investments  | 3,618                         | 3,455                         |
| Investments  | 2,426                         | 2,772                         |
| Property, plant and equipment, net   | 52                            | 19                            |
| Intangible assets, net   | 5,263                         | --                            |
| Goodwill   | 5,301                         | 573                           |
| Deferred income tax assets   | 25,622                        | 26,364                        |
| Total assets   | \$ 61,310                     | \$ 47,147                     |
| <b>LIABILITIES AND EQUITY</b>  |                               |                               |
| Current liabilities:   |                               |                               |
| Accounts payable and accrued liabilities   | \$ 4,415                      | \$ 855                        |
| Income taxes payable   | -                             | 261                           |
| Debt payable to third parties  | 10,883                        | 3,091                         |
| Total liabilities  | 15,298                        | 4,207                         |
| Commitments and contingencies  |                               |                               |
| Equity:  |                               |                               |
| Preferred stock, \$10.00 par value, authorized 10,000,000 shares; issued and outstanding 592 Class N shares at December 31, 2012 and 2011, liquidation preference of \$592 at December 31, 2012 and 2011 | 6                             | 6                             |
| Common stock, \$0.01 par value, authorized 300,000,000 shares; issued and outstanding 28,945,228 shares at December 31, 2012 and 27,117,450 shares at December 31, 2011                                  | 290                           | 271                           |
| Additional paid-in capital   | 283,281                       | 278,408                       |
| Accumulated deficit  | (237,558)                     | (235,745)                     |
| Accumulated other comprehensive loss   | (7)                           | --                            |
| Total equity   | 46,012                        | 42,940                        |
| Total liabilities and equity   | \$ 61,310                     | \$ 47,147                     |

The notes contained in our Annual Report on Form 10-K are an integral part of these condensed consolidated financial statements.