



DUNDEE CORPORATION REPORTS SECOND QUARTER 2013 FINANCIAL RESULTS

FOR IMMEDIATE RELEASE

Toronto, August 12, 2013 – Dundee Corporation (TSX: DC.A, DC.PR.B, DC.PR.C) (the “Corporation”) is reporting its financial results as at and for the three and six months ended June 30, 2013. The Corporation’s unaudited condensed interim consolidated financial statements, along with the accompanying management’s discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and may be viewed under the Corporation’s profile at www.sedar.com or the Corporation’s website at www.dundeecorp.com.

COMPLETION OF DISTRIBUTION OF DUNDEE REALTY CORPORATION

On May 30, 2013, the Corporation completed a restructuring, through a tax efficient plan of arrangement (the “Arrangement”) that effectively distributed the majority of its ownership in Dundee Realty Corporation (“Dundee Realty”) to its shareholders, through the creation of a new public entity, DREAM Unlimited Corp. (“DREAM”). The Arrangement was accounted for as a distribution of all of the underlying assets of Dundee Realty, resulting in the inclusion in current period net earnings of a \$599.4 million gain. In addition to the gain, the Corporation has classified the operating results of Dundee Realty prior to completion of the Arrangement as discontinued operations. As part of the Arrangement, the Corporation retained a 29% interest in DREAM, which leaves it with a 20% effective interest in Dundee Realty, compared with the 70% it owned prior to the Arrangement.

CHANGES IN ACCOUNTING GUIDELINES – EARLY IMPLEMENTATION OF IFRS 9

In concert with the completion of the Arrangement, the Corporation early adopted International Financial Reporting Standard (“IFRS”) 9. Under this standard, the Corporation’s portfolio of investments and other financial instruments will generally be measured at fair value, with changes in fair value being recognized in net earnings. Under the application of previous accounting guidelines, changes in fair value were recorded in other comprehensive income, other than decreases in value of financial assets that were deemed to be other-than temporary. The implementation of IFRS 9 will cause significant volatility to the Corporation’s earnings on a period-over-period basis.

FINANCIAL HIGHLIGHTS

- **Net earnings attributable to owners of the Corporation** during the second quarter of 2013, inclusive of the gain on the distribution of Dundee Realty and less the loss from continuing operations as outlined below, were \$541.6 million or \$9.97 per share.

	Three months ended June 30, 2013		Three months ended June 30, 2012	
	Amounts	Per Share	Amounts	Per Share
<i>(in millions of dollars, other than per share amounts)</i>				
Earnings from discontinued operations	\$ 610.9	\$11.29	\$ 21.9	\$0.40
Loss from continuing operations	\$ (69.3)	(\$1.32)	\$ (133.6)	(\$2.47)
Net earnings attributable to owners of Dundee Corporation	\$ 541.6	\$9.97	\$ (111.7)	(\$2.07)

- **Net Earnings from Continuing Operations** – During the three months ended June 30, 2013, the Corporation incurred a loss from continuing operations attributable to owners of Dundee Corporation of \$69.3 million, or a loss of \$1.32 per share. This compares with a loss from continuing operations attributable to owners of Dundee Corporation of \$133.6 million, or \$2.47 per share incurred in the second quarter of the prior year. Net earnings include unrealized losses in the Corporation’s investment portfolio, reflecting changes in value as determined by equity and credit markets. The Corporation believes that equity and credit markets do not necessarily correctly reflect the underlying value of certain assets, and therefore provide little analytical or predictive value. The Corporation’s investment decisions are not motivated by the short-term impact that resulting gains or losses may have on reported earnings in any particular reporting period.
- **Market Value of Investments** – The market value of the Corporation’s portfolio of investments was \$1.5 billion at June 30, 2013, including \$0.7 billion accounted for on an equity basis.
- **Fee Earning Assets under Management and Administration** – Fee earning assets under management and administration decreased to \$4.1 billion at June 30, 2013, compared with \$4.9 billion at December 31, 2012.
- **Corporate Debt** at June 30, 2013 was \$261.7 million, of which \$94.5 million was borrowed by the Corporation’s operating subsidiaries, including Dundee Energy Corporation and Blue Goose Capital Corp. This compares with corporate debt of \$99.5 million at December 31, 2012, before debt associated with Dundee Realty.

ABOUT THE CORPORATION

Dundee Corporation is a public Canadian independent holding company listed on the Toronto Stock Exchange (“TSX”) under the symbol “DC.A.” Through its operating subsidiaries, Dundee Corporation is engaged in diverse business activities in the areas of its core competencies including investment advisory and corporate finance, energy, resources, agriculture, real estate and infrastructure. Dundee Corporation also holds, directly and indirectly, a portfolio of investments mostly in these core focus areas, as well as other select investments in both publicly listed and private companies.

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