

NEWS RELEASE

HOME CAPITAL GROUP'S ROBUST EARNINGS MOMENTUM CONTINUES IN FIRST QUARTER

Earnings up 47.1%, return on equity 24.4%
27th consecutive quarter of increasingly positive earnings

TORONTO, April 29, 2002 – Home Capital Group Inc. (TSE:HCG.B) today announced results for the first quarter. These results were generated by the Company's wholly owned subsidiary, Home Trust Company.

Three months ended March 31

	<u>2002</u>	<u>2001</u>	<u>% change</u>
Total revenues	\$25,804,358	\$21,023,670	+22.7
Net Income	\$4,733,960	\$3,218,215	+47.1
Net Income/Share - basic	\$0.29	\$0.22	+31.8
- fully diluted	\$0.27	\$0.20	+35.0
Return on equity	24.4%	25.3%	- 3.6
Total Assets	\$1,131,649,943	\$957,750,961	+18.2
# shares outstanding	16,542,660	14,798,995	

- This represents the 27th consecutive period in which earnings exceeded those of the previous quarter
- Earnings rose 47.1% and assets grew by 18.2% over the same period last year
- Return on equity stood at 24.4%
- The core residential first mortgage business enjoyed strong and steady growth
- Home Trust issued a \$18.3 million Mortgage Backed Security in February 2002, resulting in a \$0.7 million contribution to earnings
- The Company is on track to meet or exceed its stated goals for the current year

Home Capital Group Inc. is a holding company, publicly traded on the Toronto Stock Exchange (HCG.B), operating through its principal subsidiary, Home Trust Company. Home Trust is a federally regulated trust company offering deposit, mortgage lending, retail credit and credit card issuing services. Licensed to conduct business across Canada, Home Trust has offices in Ontario, Alberta and British Columbia.

-30-

FOR FURTHER INFORMATION:

Gerald M. Soloway, President & CEO, or
W. Roy Vincent, Sr. Vice President & COO
416-360-4663
www.homecapital.com

**HOME CAPITAL GROUP INC.
TO OUR SHAREHOLDERS**

Home Capital Achieves Robust Quarterly Results

Home Capital Group Inc. achieved another record performance during the first quarter of 2002. Earnings and earnings per share were both up substantially from the first quarter of the previous year and the fourth quarter of 2001. The first quarter of 2002 represents the 27th consecutive quarter in which earnings exceeded those of the previous three-month period.

These excellent results confirm the soundness of our business strategy and reinforce the Company's powerful momentum for profitable growth.

Net Earnings Increase by 47%

- Net income for the first quarter grew substantially, by 47.1%, to \$4,733,960 from the \$3,218,215 recorded for the same period in 2001.
- Net earnings per share for the quarter rose by 31.8% to \$0.29 from the \$0.22 for the first quarter of the previous year.
- Return on equity during the first quarter stood at 24.4%, compared to 25.3% for the same quarter in 2001.

Strong Year-Over-Year Asset Growth

Total assets at the end of the quarter were \$1,131,649,943, an increase of 18.2% over total assets at the end of the same quarter last year. Total assets since year-end 2001, however, have remained stable. The Company accumulated \$32 million in treasury bills, which were liquidated during the first quarter to fund new mortgages, personal loans and investments. The Company also securitized \$18.4 million in mortgage loans, which contributed to an off-balance sheet increase in assets, which are not included in total assets. Other categories of assets – including residential mortgages and consumer loans – also increased during the quarter.

Tradition of Responsible Risk Management Continues

Home Capital's success is based in part on a conservative approach to risk management and adherence to well-regarded underwriting techniques. This tradition continues into 2002. Net impaired loans as at March 31, 2002 were 0.51% compared to 0.52% at December 31, 2001 and 0.48% at March 31, 2001. In addition to maintaining a very stable position on impaired loans, there were no losses realized in the Company's mortgage portfolio in this quarter.

Home Trust's general allowance, the reserve fund for unforeseen losses on currently performing loans, increased from \$4.6 million at March 31, 2001 to \$5.8 million at the end of this quarter. This represents 93.6 basis points of the risk-weighted assets at that date, compared to 87.4 basis points at March 31, 2001 and 91.2 basis points at year-end 2001.

As at March 31, 2002, the operating subsidiary Home Trust's Tier 1 capital ratio was 11.4%, compared to 9.3% at March 31, 2001. Total capital rose to 14.6%, or \$91.2 million, from 12.6%, or \$63.2 million, at the end of the first quarter in 2001.

Mortgage-Backed Securities (MBS) Generate Increased Revenues

Mortgage securitization is a growing and profitable segment of the Company's business. During the first quarter, the Company issued a further \$18.4 million in MBS pooling of residential mortgages, generating \$727,000 in revenue. This issue brings total MBS assets under administration to \$81.0 million.

Consumer Lending – Home Trust VISA and Retail Credit Services

Home Trust launched a new VISA product during the quarter, which utilizes the Company's experience and expertise in mortgage lending. The Equity Plus VISA card is a new consumer product that allows homeowners to use their home equity as collateral to obtain credit in the \$10,000 to \$50,000 range at an attractive annual rate of 11.99%. We believe this is the only credit card of its type in Canada.

The Company has determined that it will focus on building VISA operations with products secured by either cash or property. Our experience in recent months indicates strongly that there is a large opportunity to provide secured products to Canadians.

Retail credit services, which was established in 2001, provides financing for customers purchasing products from established merchants. This business has experienced strong market acceptance and by March 31, 2002, had achieved receivables of \$3.6 million. We are very encouraged by the early success of retail credit services.

Quarterly Dividend Declared

The Board of Directors declared a quarterly dividend of \$0.025 per share, payable on June 1, 2002 to shareholders of record at the close of business on May 15, 2002.

Share Conversion

As previously reported in the 2001 Fourth Quarter Report to Shareholders, on January 25, 2002, Home Capital announced a share conversion that reduced the number of the Company's multi-vote shares. The holders of the Company's 3,025,000 convertible Class 'A' multi-vote shares converted 1.5 million of the Class A shares into the same number of single-vote Class 'B' subordinated voting shares.

Subsequently, on March 12, 2002, Kenneth Fowler, who retired as director of the Company in the first quarter, converted his remaining 270,000 Class 'A' shares to Class 'B' shares.

These conversions increased the float of publicly traded Class 'B' shares from 13,322,610 to 15,092,610 with no dilutive effect on the Company's earnings per share. With the conversions, the 1,254,167 Class 'A' shares represent 6.3 million votes (29%), while the Class 'B' shares represent 15.1 million votes (71%).

All the conversions from Class 'A' to Class 'B' shares were performed without any benefit or enhancement for the Class 'A' shareholders. The Board of Directors and the Company are proud of these conversions, which were pursued in the best interests of Home Capital and all its shareholders.

We thank Ken Fowler for his distinguished record of service to the Company. As one of the founders and a director he has provided business experience and knowledge to the conduct of the Company's affairs over a considerable period of time.

Optimistic Outlook for Home Capital

We are optimistic about the future of Home Capital. The Company has a proven and successful business strategy, a growing portfolio of outstanding products, and a prudent approach to risk that combines vigilance with well-regarded underwriting techniques and risk management procedures.

We have also been successful in understanding and meeting the needs of our large, but underserved target market.

Having reviewed our competitive strengths, which include people, products, market presence and reputation, we are optimistic about our ability to continue generating value for customers, employees and all shareholders.

We are confident that the positive results achieved in the first quarter will continue throughout 2002.

GERALD M. SOLOWAY
President & Chief Executive Officer
April 29, 2002