Boyd Group Income Fund

NEWS RELEASE

BOYD GROUP INCOME FUND REPORTS 2006 SECOND QUARTER RESULTS

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Winnipeg, Manitoba – **August 10, 2006** – Boyd Group Income Fund (TSX: BYD.UN) ("the Fund") today reported its financial results for the three and six-month periods ended June 30, 2006.

For the second quarter ended June 30, 2006, revenue declined to $45.0 million compared to revenue of $45.7 million in the second quarter of 2005, after adjusting for discontinued operations. The decline in sales resulted from the impact of foreign currency translation of sales generated from U.S. operations, offset by strong same store sales growth in Canada and new revenue generated from start-up locations in the U.S.

Sales in Canada in the second quarter of 2006 totalled $16.5 million, an increase of $1.6 million or 10.2%, compared to the second quarter a year ago. Sales increases in Canada are entirely due to same store sales growth, with increases reported in all four western provinces.

Sales in the U.S. in the second quarter of 2006 decreased 7.4% to $28.5 million compared to $30.8 million in the second quarter of 2005. Translation of U.S. dollar revenues at a weaker U.S. dollar exchange rate, relative to the Canadian dollar, during the second quarter of 2006 accounted for $3.0 million of this decline. This decline was partially offset by new sales of $1.1 million attributable to: two Illinois area start-ups commenced during the second quarter of 2005; three new start-ups commenced in 2006; and, new glass repair and replacement revenues generated in the Arizona, Georgia, Nevada and Washington markets. Excluding the impact of foreign currency translation and collision and glass repair start-ups, U.S. same store sales declined $0.4 million or 1.4% compared to the same period in the prior year.

Earnings before interest, income taxes, depreciation and amortization (EBITDA)[1] for the second quarter of 2006 totalled $2.5 million, or 5.5% of sales, compared to EBITDA of $2.7 million, or 6.0% of sales, in the second quarter of 2005. This decline is primarily a result of lower amortization of prepaid rebates.

Net loss for the second quarter of 2006 after giving effect to the non-controlling interest, and after discontinued operations, was $654,038 or ($0.07) per fully diluted unit compared to net earnings of $140,411 or $0.01 per fully diluted unit in the second quarter of 2005. The Fund's net loss resulted primarily from the impact of losses in the U.S. for which no tax benefit was recorded.

For the six months ended June 30, 2006 revenue totalled $92.1 million compared to revenue of $92.2 million in the same period a year ago. EBITDA for the six months ended June 30, 2006 totalled $4.4 million, or 4.8% of sales, compared to EBITDA of $6.5 million, or 7.1% of sales, in the corresponding period a year ago. The Fund's net loss for the six months ended June 30, 2006 was $2.4 million or ($0.26) per fully diluted unit compared to net income of $1.5 million or $0.17 per fully diluted unit in the same period a year ago.

The Fund had total debt outstanding at June 30, 2006 of $38.7 million, comprised of: $2.0 million in bank indebtedness; $7.8 million of senior bank term debt; $14.5 million of U.S. bank debt; $0.4 million of supplier debt; $0.7 million of vendor loans; $1.0 million of obligations under capital lease; and, $12.3 million in subordinate convertible debentures and exchangeable notes. This compares to $40.6 million of total debt outstanding at March 31, 2006, and $39.8 million as at December 31, 2005. Subsequent to June 30, 2006, Boyd Group prepaid US$2.8 million of U.S. bank debt held by the Fund's senior lenders and amended senior credit facilities to increase the Fund's operating line of credit from $12 million to $15 million.

Distributable Cash[2]

On December 15, 2005, the Fund suspended cash distributions to unitholders until further notice. The Trustees of the Fund and senior management of the Boyd Group determined that a temporary suspension of distributions was in the best interests of unitholders as it will allow the Boyd Group to strengthen its balance sheet and improve its cash position and financial flexibility. On March 22, 2006, the Fund announced that distributions were not anticipated to be reinstated for at least 12 to 18 months. At the end of this time period, or sooner if Boyd Group experiences meaningful improvement in its financial performance, management of Boyd Group and the Trustees of the Fund would expect to resume distributions at conservative and sustainable levels.

2006 Second Quarter Conference call & Web cast

Management of the Boyd Group Income Fund will host a conference call to discuss the Fund's 2006 second quarter financial results on August 11, 2006 at 10:00 a.m. EST. The conference call will be webcast live at www.boydgroup.com. and archived for 90 days. A taped replay of the conference call will also be available until August 18 at midnight at 1-877-289-8525 or 416-640-1917, reference number 21198212#.

([1])([2]) EBITDA and Distributable Cash are not recognized measures under Canadian generally accepted accounting principles (GAAP). Management believes that in addition to revenue, net earnings and cash flows, distributable cash and EBITDA are useful supplemental measures as they provide investors with an indication of earnings from operations and cash available for distribution, both before and after debt service, capital expenditures and income tax. Investors should be cautioned, however, that EBITDA and distributable cash should not be construed as an alternative to net earnings determined in accordance with GAAP as an indicator of the Fund's performance. Boyd's method of calculating distributable cash may differ from other public issuers and, accordingly, may not be comparable to similar measures used by other issuers. For a detailed explanation of how the Fund's distributable cash is calculated, please refer to the Fund's MD&A filing for the three months ended June 30, 2006, which can be accessed via the SEDAR Web site (www.sedar.com).

About The Boyd Group Inc.

The Boyd Group Inc. is the largest operator of collision repair centres in Canada and among the largest in North America. The company operates locations in the four western Canadian provinces principally under the trade names Boyd Autobody & Glass and Service Collision Repair, as well as in six U.S. states principally under the trade name Gerber Collision & Glass. The company also operates Gerber National Glass Services, an auto glass repair and replacement referral business with affiliated service providers throughout the United States. For more information on The Boyd Group Inc. or Boyd Group Income Fund, please visit our Web site at www.boydgroup.com.

About The Boyd Group Income Fund

The Boyd Group Income Fund is an unincorporated, open-ended mutual fund trust created for the purposes of acquiring and holding certain investments, including a majority interest in The Boyd Group Inc. and its subsidiaries.

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This press release contains forward-looking statements, other than historical facts, which reflect the view of the Fund's management with respect to future events. Such forward-looking statements reflect the current views of the Fund's management and are made on the basis of information currently available. Although management believes that its expectations are reasonable, it can give no assurance that such expectations will prove to be correct. The forward-looking statements contained herein are subject to these factors and other risks, uncertainties and assumptions relating to the operations, results of operations and financial position of the Fund. The Fund assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those contemplated by the forward-looking statements.

INTERIM CONSOLIDATED BALANCE SHEETS (Unaudited)

June 30, 2006 and December 31, 2005

	June 30, 2006	December 31, 2005
Assets		
Current assets:		
Accounts receivable	**$ 17,580,499**	$ 19,450,519
Current portion of rebates receivable	**1,059,250**	-
Inventory	**3,803,271**	3,995,960
Prepaid expenses	**1,708,676**	1,331,884
	24,151,696	24,778,363
Note receivable	**366,373**	383,098
Rebates receivable	**5,031,438**	-
Property, plant and equipment	**17,672,129**	18,086,803
Future income tax asset	**3,255,714**	3,749,522
Deferred costs	**1,545,181**	1,727,462
Goodwill	**35,574,913**	36,774,687
Intangible assets	**16,912,971**	18,462,613
	$ 104,510,415	$ 103,962,548
Liabilities and Equity		
Current liabilities:		
Bank indebtedness	**$ 1,983,865**	$ 1,310,672
Accounts payable and accrued liabilities	**20,663,142**	23,761,807
Income taxes payable	**54,137**	64,358
Current portion of long-term debt	**2,231,887**	1,652,451
Current portion of obligations under capital leases	**249,714**	641,851
	25,182,745	27,431,139
Long-term debt	**21,212,870**	22,179,553
Obligations under capital leases	**756,652**	1,254,664
Convertible debt	**12,316,246**	12,699,584
Unearned rebates	**18,972,131**	10,137,286
Non-controlling interest	**457,691**	446,915
	78,898,335	74,149,141
Equity		
Unitholders' capital	**52,878,244**	53,130,354
Shareholders' capital	**61,097**	66,003
Contributed surplus	**87,148**	78,352
Warrants	**421,500**	421,500
Deficit	**(18,033,985)**	(15,599,879)
Cumulative translation adjustment	**(9,801,924)**	(8,282,923)
	25,612,080	29,813,407
	$ 104,510,415	$ 103,962,548

INTERIM CONSOLIDATED STATEMENTS OF DEFICIT (Unaudited)

Six Months Ended June 30,

		2006		2005
Deficit, beginning of period	**$**	**(15,599,879)**	$	(9,232,183)
Net (loss) earnings for period		**(2,434,106)**		1,514,200
Dividends on BGHI Class A common shares		**-**		(330,532)
Distributions to unitholders		**-**		(4,155,305)
Deficit, end of period	**$**	**(18,033,985)**	$	(12,203,820)

INTERIM CONSOLIDATED STATEMENTS OF (LOSS) EARNINGS (Unaudited)

Six Months Ended June 30,

		2006		2005
Sales	**$**	**92,095,093**	$	92,194,518
Cost of sales		**53,276,827**		49,507,263
Gross margin		**38,818,266**		42,687,255
Operating expenses		**36,131,908**		36,328,640
Foreign exchange gains		**(1,760,936)**		(161,743)
Depreciation and amortization		**1,839,503**		1,980,623
Amortization of deferred costs and other intangible assets		**1,362,657**		1,046,893
Interest expense		**1,549,377**		1,505,975
Interest income		**(44,368)**		(42,125)
		39,078,141		40,658,263
Net (loss) earnings before income taxes and non-controlling interest		**(259,875)**		2,028,992
Income tax expense (recovery)				
Current		**179,687**		152,148
Future		**543,386**		(67,718)
		723,073		84,430
Net (loss) earnings before non-controlling interest		**(982,948)**		1,944,562
Non-controlling interest		**(30,908)**		217,228
Net (loss) earnings from continuing operations		**(1,013,856)**		2,161,790
Loss from discontinued operations		**(1,420,250)**		(647,590)
Net (loss) earnings	**$**	**(2,434,106)**	$	1,514,200
Weighted average number of units and Class A common shares outstanding		**10,287,124**		9,065,432
Basic (loss) earnings per unit from continuing operations	**$**	**(0.099)**	$	0.238
Loss per unit from discontinued operations		**(0.138)**		(0.071)
Basic (loss) earnings per unit and Class A common share	**$**	**(0.237)**	$	0.167
Diluted (loss) earnings per unit from continuing operations	**$**	**(0.099)**	$	0.238
Loss per unit from discontinued operations		**(0.138)**		(0.071)
Diluted (loss) earnings per unit and Class A common share	**$**	**(0.237)**	$	0.167

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Six Months Ended June 30,

	2006	2005
CONTINUING OPERATIONS		
Cash flows from operating activities		
Net (loss) earnings from continuing operations	**$ (1,013,856)**	$ 2,161,790
Items not affecting cash		
Non-controlling interest	**30,908**	(217,228)
Future income taxes	**543,386**	(67,718)
Amortization of deferred costs and other intangible assets	**1,362,657**	1,046,893
Depreciation and amortization	**1,839,503**	1,980,623
Amortization of unearned rebates	**1,290,301**	(1,465,168)
Unit option compensation expense	**8,796**	5,955
Loss (gain) on disposal of equipment	**103,123**	(5,462)
	4,164,818	3,439,685
Changes in non-cash working capital items	**(2,559,947)**	(1,423,464)
	1,604,871	2,016,221
Cash flows from financing activities		
Repurchase of fund units	**(244,180)**	-
Issue of fund units	**-**	2,869,725
Issue costs	**-**	(22,799)
Increase in obligations under long-term debt	**14,935,700**	4,040,226
Repayment of long-term debt	**(14,242,809)**	(1,463,179)
Repayment of obligations under capital leases	**(1,337,253)**	(525,511)
Proceeds on issue of convertible debt	**-**	612,650
Dividends received on Class B common shares	**-**	403,015
Dividends paid on Class A and B common shares	**-**	(923,750)
Distributions paid to unitholders	**-**	(4,380,438)
Increase in unearned rebates	**13,193,944**	316,927
Repayment of unearned rebates	**(11,801,274)**	-
Decrease in other long-term liabilities	**-**	(11,505)
Collection of notes receivable	**-**	139,843
Increase in financing costs	**(185,922)**	(154,194)
Collection of rebates receivable	**263,506**	-
	581,712	901,010
Cash flows used in investing activities		
Proceeds on sale of equipment	**78,373**	58,541
Acquisition of equipment	**(741,520)**	(812,764)
Acquisition and development of businesses	**(1,187,542)**	(1,003,116)
Deferred costs	**(354,354)**	(367,862)
Acquisition of other assets	**(6,000)**	(3,453,507)
	(2,211,043)	(5,578,708)
Foreign exchange	**(682,565)**	(240,561)
Cash received upon combining of Boyd Group Holdings Inc.	**-**	38,751
Net decrease in cash position used in continuing operations	**(707,025)**	(2,863,287)
DISCONTINUED OPERATIONS		
Operating activities	**(68,962)**	(434,444)
Financing activities	**(1,680)**	-
Investing activities	**94,474**	-
Net proceeds on disposal	**10,000**	-
Net increase (decrease) in cash position from discontinued operations	**33,832**	(434,444)
Net decrease in cash position	**(673,193)**	(3,297,731)
(Bank indebtedness) cash position, beginning of period	**(1,310,672)**	578,548
Bank indebtedness, end of period	**$ (1,983,865)**	$ (2,719,183)
Income taxes paid	**$ 190,668**	$ 175,583
Interest paid	**$ 2,119,235**	$ 1,442,292

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)

Three Months Ended June 30,

		2006		2005
Sales	**$**	**44,972,974**	$	45,713,081
Cost of sales		**24,935,806**		24,605,487
Gross margin		**20,037,168**		21,107,594
Operating expenses		**17,674,425**		18,353,384
Foreign exchange (gains) losses		**(123,640)**		4,249
Depreciation and amortization		**965,592**		1,011,527
Amortization of deferred costs and other intangible assets		**496,830**		548,310
Interest expense		**789,966**		808,411
Interest income		**(8,117)**		(23,833)
		19,795,056		20,702,048
Earnings before income taxes and non-controlling interest		**242,112**		405,546
Income tax expense (recovery)				
Current		**130,112**		98,204
Future		**734,248**		(67,718)
		864,360		30,486
Net (loss) earnings before non-controlling interest		**(622,248)**		375,060
Non-controlling interest		**(12,397)**		(9,670)
Net (loss) earnings from continuing operations		**(634,645)**		365,390
Loss from discontinued operations		**(19,393)**		(224,979)
Net (loss) earnings	**$**	**(654,038)**	$	140,411
Weighted average number of units and class A shares outstanding		**10,289,716**		9,701,323
Basic (loss) earnings per unit from continuing operations	**$**	**(0.062)**	$	0.038
Loss per unit from discontinued operations		**(0.002)**		(0.024)
Basic (loss) earnings per unit and Class A common share	**$**	**(0.064)**	$	0.014
Diluted (loss) earnings per unit from continuing operations	**$**	**(0.062)**	$	0.038
Loss per unit from discontinued operations		**(0.002)**		(0.024)
Diluted (loss) earnings per unit and Class A common share	**$**	**(0.064)**	$	0.014

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Three Months Ended June 30,

	2006	2005
CONTINUING OPERATIONS		
Cash flows from operating activities		
Net (loss) earnings from continuing operations	**$ (634,645)**	$ 365,390
Items not affecting cash		
Non-controlling interest	**12,397**	9,670
Future income taxes	**734,248**	(67,718)
Amortization of deferred costs and other intangible assets	**496,830**	548,310
Depreciation and amortization	**965,592**	1,011,527
Amortization of unearned rebates	**(326,940)**	(675,547)
Unit option compensation expense	**6,048**	5,955
Loss (gain) on disposal of equipment	**107,697**	(3,722)
	1,361,227	1,193,865
Changes in non-cash working capital items	**(241,351)**	(119,871)
	1,119,876	1,073,994
Cash flows used in financing activities		
Repurchase of fund units	**(244,180)**	-
Issue of fund units	**-**	1,418,401
Issue costs	**-**	(19,600)
Increase in obligations under long-term debt	**-**	393,988
Repayment of long-term debt	**(388,537)**	(28,865)
Repayment of obligations under capital leases	**(55,766)**	(227,196)
Dividends received on Class B common shares	**-**	228,072
Dividends paid on Class A and B common shares	**-**	(512,209)
Distributions paid to unitholders	**-**	(2,111,892)
Increase in unearned rebates	**241,861**	-
Collection of notes receivable	**-**	77,858
Increase in financing costs	**(21,838)**	(6,549)
Collection of rebates receivable	**263,506**	-
	(204,954)	(787,992)
Cash flows used in investing activities		
Proceeds on sale of equipment	**32,071**	53,940
Acquisition of equipment	**(265,814)**	(428,412)
Acquisition and development of businesses	**(487,372)**	(379,717)
Deferred costs	**(135,867)**	(221,361)
Acquisition of other assets	**(6,000)**	(281,505)
	(862,982)	(1,257,055)
Foreign exchange	**(398,224)**	25,032
Net decrease in cash position used in continuing operations	**(346,284)**	(946,021)
DISCONTINUED OPERATIONS		
Operating activities	**286,452**	(144,039)
Investing activities	**-**	(60,599)
Net increase (decrease) in cash position from discontinued operations	**286,452**	(204,638)
Net decrease in cash position	**(59,832)**	(1,150,659)
Bank indebtedness, beginning of period	**(1,924,033)**	(1,568,524)
Bank indebtedness, end of period	**$ (1,983,865)**	$ (2,719,183)
Income taxes paid	**$ 96,886**	$ 172,488
Interest paid	**$ 613,108**	$ 484,532