

## **IBI Income Fund Announces the Acquisition of Architectural Practice in Educational Facilities.**

**Toronto, Ontario, September 06, 2005** – IBI Income Fund (the “Fund”) (TSX:IBG.UN) announced today the closing of the acquisition by IBI Group and IBI Group Architects of the firm of Grey-Noble & Grey-Noble, Architects (“GN”) as of August 31, 2005.

The GN practice, comprising some 10 people led by Norman Grey-Noble and Helen Grey-Noble, specializes in education facilities throughout Southern Ontario as well as internationally. GN also provides programming and other consultative services in educational facilities.

Norm and Helen Grey-Noble commented that “IBI’s extensive network of offices in North America and internationally will enable us to further our aims in expanding the application of our expertise in the design of educational facilities throughout Canada and the United States as well as augment our current international activity.”

Phil Beinhaker, Chairman Director and CEO of IBI Group and IBI Group Architects noted that “Norman and Helen Grey-Noble have an outstanding reputation in the design of educational facilities. IBI has a record of significant assignments for university and college level facilities, and the addition of Norman and Helen’s expertise at the primary and secondary school levels will extend and augment IBI’s work.”

GN operates out of its office in Newmarket which is convenient for serving its clients in the region surrounding Toronto. This office will continue and, in addition, the GN practice and the skills of its professional staff will be integrated into the Toronto and Ottawa offices of IBI Group Architects, as well as the other offices of IBI Group Architects throughout Southern Ontario.

### **Transaction Highlights**

- Adds complementary architectural capabilities in the field of educational facilities
- The transaction is expected to be immediately accretive to the Fund’s distributable cash by approximately 1%.

### **Acquisition Financing**

This acquisition was funded by IBI Group out of its operating line with its bank lender.

The Fund’s current plan is that following the successful completion of a number of additional acquisitions, it will complete a public offering of additional units, the proceeds of which will be used in part to repay the indebtedness incurred in connection with the acquisition of GN.

### **ABOUT IBI INCOME FUND**

The Fund is a TSX listed income trust, which pays monthly distributions and trades under the symbol “IBG.UN”.

The Fund holds an indirect 50% interest in IBI Group, a partnership which provides professional services, including planning, design, implementation, analysis of operations and other consulting services in relation to four main areas of development, being urban land, building facilities, transportation networks and systems technology. The remaining 50% of IBI Group is owned by IBI Group Management Partnership.

### **NON-GAAP MEASURE**

Distributable cash does not have a standardized meaning prescribed by generally accepted accounting principles, but is a measure generally used by Canadian open-ended income funds as an indicator of financial performance. The Fund describes distributable cash as net earnings before interest,

depreciation, amortization, income taxes and after interest paid, capital expenditures, taxes paid and contributions to any reserves that the trustees of the Fund deemed to be reasonable and necessary for the operation of the Fund.

The Fund's method of calculating distributable cash may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to distributable cash as reported by such entities. Management of the Fund believes that distributable cash is a useful supplemental measure that may assist readers in assessing their return on an investment in units.

## **FORWARD-LOOKING STATEMENTS**

Certain statements in this press release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Fund to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this press release, such statements use such words as "may", "will", "expect", "believe", "anticipate", "project", "plan" and other similar terminology. The risks and uncertainties are detailed from time to time in reports filed by the Fund with the securities regulatory authorities in all of the provinces and territories of Canada to which recipients of this press release are referred for additional information concerning the Fund, its prospects and the risks and uncertainties relating to the Fund and its prospects. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of the Fund to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

The forward-looking information contained in this press release is current only as of the date of the press release. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future event or otherwise.