



NEWS RELEASE

IBI ANNOUNCES RECORD REVENUE AND EBITDA:

- **Revenue at \$51.4 million; increase of \$12.2 million + 31.3%;**
- **Overall organic revenue growth of \$3.4 million + 8.8%**
- **EBITDA at \$9.2 million; increase of \$ 1.6 million + 20.4%;**
- **Distributable cash of \$6.5 million; increase of \$1.0 million + 18.8%**
- **Distributable cash per unit of \$0.4160 vs declared of \$0.3758.**

TORONTO, May 7, 2008 – IBI Income Fund (the “Fund”) (TSX: IBG.UN) today announced its financial results for the three months ended March 31, 2008

Revenue for the three months ended March 31, 2008, revenue was up \$12.2 million (31.3%) to \$51.4 million compared to \$39.1 million for the three months ended March 31, 2007. Revenue from consulting services is generated based on chargeable hours with each available working day in 2008 representing approximately \$0.8 million in revenue. The three months ended March 31, 2008 had only 62 available working days compared with 64 available days for the three months ended March 31, 2007 and 63 days for an average quarter. The one additional day would have raised revenue to approximately \$52.2 million. The additional revenue will be picked up over the 2nd and 3rd quarters of 2008. (At the \$52.2 million, the revenue increase would be 33.3% over first quarter 2007).

Revenue from strategic growth through acquisitions was approximately \$8.8 million of the increase for the three months ended March 31, 2008. This strategic growth was generated through the additional revenues resulting from the acquisitions of RMPK, PEIL, BCK and Landplan during 2007 and the Y&W, Piranha and Gescona acquisitions during the first quarter of 2008. The organic growth for the quarter of \$3.4 million (8.8% growth) was concentrated in the consulting services practice with the revenue for the facilities management practice consistent with the previous year. The overall growth in activity was accomplished through a 30.8% increase in the average number of staff from 1,291 during the three months ended March 31, 2007 to 1,688 during the three months ended March 31, 2008. The number of staff as of March 31, 2008 was 1,731, up from 1,289 as of March 31, 2007.

There has been a change in accounting policy in the facilities management practice introduced in 2008, which has resulted in a retrospective adjustment of revenue and expenses. Revenue is now being reported net of direct project costs, whereas in prior years, revenue had been shown as the gross amount and the direct project costs had been included in with the expenses. This presentation of the facilities management business is now consistent with the

reporting on the IBI professional consulting services in which revenue is reported net of the direct project costs. The comparative numbers for 2007 have been adjusted retrospectively to present consistent reporting.

The Fund will be issuing restated financial statements for the year ended December 31, 2007 on Sedar.

Net earnings before non-controlling interest of the Fund for the three months ended March 31, 2008 were \$6.3 million or \$0.4043 per Unit (on a fully diluted basis) compared with \$5.6 million or \$0.4083 per Unit (on a fully diluted basis) for the three months ended March 31, 2007. As a percentage of revenue, net earnings before non-controlling interest were 12.3% for the three months ended March 31, 2008, compared with 14.2% for the three months ended March 31, 2007.

EBITDA for the three months ended March 31, 2008 was up \$1.6 million (20.4%) to \$9.2 million compared with \$7.6 million for the three months ended March 31, 2007. As a percentage of revenue, EBITDA for the three months ended March 31, 2008 was 17.8% compared with 19.5% for the three months ended March 31, 2007. The lower EBITDA as a percentage of revenue was the result of the fewer available days in the quarter. (With an additional day of revenue for 63 days of an average quarter, EBITDA for the three months ended March 31, 2008 would have been approximately \$10.0 million and 19.1% of revenue and the EBITDA increase over 2007 would have been 31.6%).

Distributable Cash - For the three months ended March 31, 2008, the Fund generated \$6.5 million of Distributable Cash, up \$1.0 million, (18.8%) compared with \$5.5 million for the three months ended March 31, 2007. On a per Unit basis, based on the weighted average number of Units outstanding, Distributable Cash was \$0.4160 for the three months ended March 31, 2008; an increase of \$0.00121 compared with \$0.4039 for the three months ended March 31, 2007. This represents a payout ratio of 90.3% for the three months ended March 31, 2008, compared with 80.1% for the three months ended March 31, 2007. Distributable cash for the three months ended March 31, 2008 has been impacted by the increase in taxes paid as payments related to 2008 were made. In addition, the impact of two fewer available days as compared with the prior year period has resulted in lower distributable cash for the quarter. (With an additional day of revenue for 63 days of an average quarter, Distributable cash generated for the three months ended March 31, 2008 would have been approximately \$7.3 million, an increase of 33.3% and a payout ratio of approximately 80.5%)

Backlog:

The current backlog of fee volume is at an all time high, in excess of the equivalent of eight months of work at the fee volume of last twelve months. The backlog has increased in all four areas of IBI activity and in all geographic regions including Florida. Backlog for government and institutional clients has increased as a percentage of the total.

Operating Highlights and Major Achievements:

- Overall organic growth of 8.8% of the firm within the total growth of 31.3%, reflecting the effectiveness of the integrated model of operations.

- EBITDA growth of 24.4% for the year to \$9.2 million;
- Distributable cash of \$0.4160 per unit (a growth of \$0.0021 per unit and overall growth of \$1.0 million - 18.8%) vs declared of \$0.3758 per unit;
- Increased the monthly distributions in February 5.5% to \$0.1275 per unit.
- Successfully completed the mergers and/or acquisitions of practices of Young + Wright Architects Limited of Toronto and Lawrence Doyle, Young + Wright Architects of Vancouver; Piranha Tendances, Conseil Strategique et Communications Inc., and Gescona Inc., both of Montreal. These practices added 131 new employees and three additional offices and strengthened functional skills.

Investor Conference Call

The Fund will hold a conference call on Thursday, May 8 2008 at 8:45 a.m. Eastern Standard Time (EST). To participate in the conference call, please dial in before 8:45 a.m. EST to (800) 926-7891 for toll-free North American access, or 1 212 231-2921 for international access.

An audio replay of the call will be available for 14 days, by dialling (416) 626-4100 for local and international access, or 1 800 558-5253 for toll-free North American access, passcode 21382207 followed by the number sign on your telephone keypad.

Selected Consolidated Financial Information and Reconciliation of Non-GAAP Measures

	Three months ended March 31, 2008 <small>Unaudited</small>	Three months ended March 31, 2007 (2) <small>Unaudited</small>
in thousands of dollars except for per Unit amounts		
Revenue	\$ 51,369	\$ 39,133
Expenses	42,204	31,519
Earnings before income taxes, interest and amortization (EBITDA)	9,165	7,614
Interest	703	582
Income taxes	335	318
Amortisation of property and equipment and intangible assets	1,839	1,237
Amortization of deferred credit - leases	(51)	(73)
Net earnings before non-controlling interest	\$ 6,339	\$ 5,550
Basic and diluted net earnings per Unit	\$ 0.4043	\$ 0.4083
Distributable Cash		
Cash flow used in operating activities	\$ (13,642)	\$ (1,314)
Less: Capital expenditures	(1,147)	(1,394)
Standardized distributable cash	\$ (14,789)	\$ (2,708)
Add (deduct):		
Change in non-cash operating working capital	21,557	8,028
Current income tax expense	547	318
Income taxes paid	(794)	(148)
Distributable cash	\$ 6,521	\$ 5,490
Weighted average basic and diluted distributable cash per Unit (1)	\$ 0.4160	\$ 0.4039
Aggregate distributions declared	\$ 5,892	\$ 4,395
Basic and diluted aggregate distributions declared per Unit (1)	\$ 0.3758	\$ 0.3233

(1) Distributable cash per Unit amounts are calculated by including both the Class A partnership units and the Class B partnership units in the denominator.

(2) 2007 Revenue, Salaries, fees and employee benefits, and other cash operating costs (other than interest) have been adjusted to reflect a retrospective adjustment of direct project expenses in the facilities management practice.

Non-GAAP Measures – Distributable Cash

Distributable cash does not have a standardized meaning prescribed by GAAP, but is a measure generally used by Canadian open-ended income funds as an indicator of financial performance. The Fund defines distributable cash as cash flow from operating activities before change in non-cash working capital and income taxes and after capital expenditures and income taxes paid. A reconciliation of distributable cash to cash flow from operating activities has been provided under the heading “Selected Consolidated Financial Information and Reconciliation of Non-GAAP Measures”.

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. The Fund believes that its distributable cash is a useful supplemental measure that may assist prospective investors in assessing the return on their investment in Units.

References to “EBITDA” are to earnings before interest, income taxes, depreciation and amortization. Management of the Fund believes that in addition to net earnings, EBITDA is a useful supplemental measure as it provides readers with an indication of cash available for distribution prior to debt service, capital expenditures and income taxes. Readers should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings determined in accordance with GAAP as an indicator of the Fund’s performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. EBITDA is not a recognized measure under GAAP and does not have a standardized meaning prescribed by GAAP, and the Fund’s method of calculating EBITDA may differ from other issuers. Accordingly, EBITDA may not be comparable to similar measures used by other issuers. A reconciliation of net earnings with EBITDA has been provided under the heading “Selected Consolidated Financial Information and Reconciliation of Non-GAAP Measures”

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