

Unaudited Interim Consolidated Financial Statements of

IBI INCOME FUND

Three Months and Nine Months Ended September 30, 2007

IBI INCOME FUND

Interim Consolidated Balance Sheets
(In thousands of dollars)

	September 30, 2007	December 31, 2006
	(Unaudited)	
Assets		
Current assets:		
Accounts receivable	\$ 58,630	\$ 49,593
Work in process	34,071	22,783
Prepaid expenses and other assets	2,660	2,435
Income taxes recoverable	254	374
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	95,615	75,185
Future income tax asset (note 6)	3,950	870
Deferred charges	186	543
Property and equipment	6,228	5,145
Intangible assets	9,552	11,118
Goodwill	95,539	95,206
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	\$ 211,070	\$ 188,067

Liabilities and Unitholders' Equity

Current liabilities:		
Bank indebtedness - net (note 5)	\$ 11,830	\$ 4,641
Accounts payable and accrued liabilities	19,762	17,695
Distributions payable	1,642	1,917
Due to related parties (notes 1 and 8)	10,317	850
Notes payable	2,216	4,706
Deferred revenue	9,382	7,887
Class C Unit (note 8)	—	14,508
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	55,149	52,204
Deferred credit - leases	485	703
Long-term debt (note 5)	24,000	10,000
Unrealized interest rate swap loss	182	—
Non-controlling interest (note 7)	49,339	46,818
Unitholders' equity:		
Unit capital (note 7)	89,220	89,220
Deficit	(6,677)	(10,659)
Accumulated other comprehensive loss	(628)	(219)
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	81,915	78,342
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	\$ 211,070	\$ 188,067

Contingencies (note 10)

See accompanying notes to interim consolidated financial statements.

IBI INCOME FUND

Interim Consolidated Statements of Earnings
(In thousands of dollars, except per unit amounts)
(Unaudited)

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Revenue:				
Fees	\$ 45,413	\$ 39,477	\$ 130,222	\$ 112,036
Expenses:				
Salaries, fees and employee benefits (note 8)	28,911	25,141	82,824	70,405
Rent (note 8)	2,286	2,034	6,651	5,832
Other operating	5,915	5,009	17,087	15,865
Amortization of property and equipment	694	489	1,858	1,512
Amortization of intangible assets	653	938	2,084	2,693
Amortization of deferred credit – leases	(72)	(90)	(217)	(270)
Interest, net	648	540	1,876	1,369
	39,035	34,061	112,163	97,406
Earnings before income taxes	6,378	5,416	18,059	14,630
Income taxes				
Current	200	494	651	1,009
Future (note 6)	–	–	(3,150)	–
Earnings before non-controlling interest	6,178	4,922	20,558	13,621
Non-controlling interest	2,285	1,820	7,601	5,360
Net earnings	3,893	3,102	12,957	8,261
Basic and diluted earnings per unit	\$ 0.4544	\$ 0.3621	\$ 1.5123	\$ 1.0699
Weighted average number of units outstanding	8,567,778	8,567,778	8,567,778	7,721,208

See accompanying notes to the unaudited interim consolidated financial statements.

IBI INCOME FUND

Interim Consolidated Statements of Changes in Unitholders' Equity
(In thousands of dollars)
(Unaudited)

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Unit capital:				
Unit capital, beginning of period	\$ 89,220	\$ 89,220	\$ 89,220	\$ 50,258
Units issued from treasury	—	—	—	38,962
Unit capital, end of period	89,220	89,220	89,220	89,220
Deficit:				
Deficit, beginning of period	(7,593)	(10,580)	(10,659)	(9,580)
Cumulative impact of implementing new accounting standards (note 3)	—	—	(315)	—
	(7,593)	(10,580)	(10,974)	(9,580)
Net earnings	3,893	3,102	12,957	8,261
Distributions declared to Unitholders	(2,977)	(2,613)	(8,660)	(7,014)
Issue costs	—	(78)	—	(1,836)
Deficit, end of period	(6,677)	(10,169)	(6,677)	(10,169)
Accumulated other comprehensive loss (note 3):				
Balance, beginning of period	(768)	(2)	—	—
Current impact of implementing new accounting standards	—	—	(867)	(418)
Net change in cumulative translation adjustment	422	(416)	(226)	—
Change in fair value of derivative designated as cash flows hedge	(282)	—	465	—
Balance, end of period	(628)	(418)	(628)	(418)
Total Unitholders equity, end of period	\$ 81,915	\$ 78,633	\$ 81,915	\$ 78,633

Interim Consolidated Statements of Comprehensive Income
(In thousands of dollars)
(Unaudited)

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Net earnings	\$ 3,893	\$ 3,102	\$ 12,957	\$ 8,261
Other comprehensive income (note 3):				
Unrealized gains and losses on translating financial statements of self sustaining foreign operations	422	(416)	(226)	—
Change in fair value of derivative designated as cash flows hedge	(282)	—	465	—
Comprehensive income	\$ 4,033	\$ 2,686	\$ 13,196	\$ 8,261

See accompanying notes to interim consolidated financial statements.

IBI INCOME FUND

Interim Consolidated Statements of Cash Flows
(In thousands of dollars)
(Unaudited)

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Cash provided by (used in):				
Operating activities:				
Net earnings	\$ 3,893	\$ 3,102	\$ 12,957	\$ 8,261
Items not affecting cash:				
Amortization of property and equipment	694	489	1,858	1,512
Amortization of intangible assets	653	938	2,084	2,693
Amortization of deferred credit - leases	(72)	(90)	(217)	(270)
Future income tax asset	-	-	(3,150)	-
Non-controlling interest	2,285	1,820	7,601	5,360
Change in non-cash operating working capital				
Current assets	(8,792)	(7,329)	(20,430)	(22,518)
Deferred charges	37	(4)	42	(287)
Accounts payable	2,867	2,048	2,067	(1,769)
Deferred revenue	1,063	1,468	1,495	2,819
Income taxes payable	-	150	-	48
Acquisition of working capital (deficiency)	-	(36)	-	(264)
	2,628	2,556	4,307	(4,415)
Financing activities:				
Notes payable	(2,226)	2,072	(2,939)	2,042
Long term debt	-	10,000	14,000	10,000
Repayment of Class C Unit	-	-	(14,508)	-
Distributions paid to Unitholders	(2,912)	(2,570)	(8,524)	(6,585)
Distributions paid to Class B subordinated Unitholders	(1,709)	(1,508)	(5,490)	(4,398)
Issuance of units	-	-	-	38,962
Issue costs	-	(78)	-	(1,836)
Due to related parties	4,162	800	9,467	(5,563)
	(2,685)	8,716	(7,994)	32,622
Investing activities:				
Purchase of property and equipment	(795)	(534)	(3,037)	(1,963)
Acquisitions (note 4)	-	(4,273)	(458)	(18,740)
	(795)	(4,807)	(3,495)	(20,703)
Effect of foreign currency translation	(183)	(400)	(7)	(360)
Net decrease (increase) in bank indebtedness	\$ (1,035)	\$ 6,065	\$ (7,189)	\$ 7,144
Bank indebtedness net, beginning of period	(10,795)	(12,946)	(4,641)	(14,025)
Bank indebtedness net, end of period	\$ (11,830)	\$ (6,881)	\$ (11,830)	\$ (6,881)
Supplemental cash flow information:				
Income taxes paid	\$ 253	\$ 314	\$ 510	\$ 929
Interest paid	648	540	1,876	1,369

See accompanying notes to the unaudited interim consolidated financial statements.

IBI INCOME FUND

Notes to Interim Consolidated Financial Statements
For the nine months period ended September 30, 2007
(In thousands of dollars)

(Unaudited)

1. Organization and description of the business:

IBI Income Fund (the "Fund") is an unincorporated, open-ended, limited purpose trust (established under the laws of the Province of Ontario), which was created on July 23, 2004 to indirectly acquire and hold the outstanding Class A partnership units of IBI Group, a general partnership formed under the laws of the Province of Ontario. IBI Group also issued Class B partnership units to IBI Group Management Partnership (the "Management Partnership"), the entity that carried on the Fund's business prior to its acquisition by the Fund. The Management Partnership holds 5,025,778 Class B partnership units representing 37% of the issued and outstanding units of IBI Group and 1,864,080 units of the Fund, representing a total ownership of approximately 50.7% of IBI Group. The Management Partnership also holds 5,025,778 non-participating voting units of the Fund, which together with the 1,864,080 units of the Fund held by the Management Partnership, represent approximately 50.7% of the voting units of the Fund.

The Fund is an international, multi-disciplinary provider of a broad range of professional services focused on the physical development of cities. IBI Group's business is concentrated in four main areas of development, being urban land, building facilities, transportation networks and systems technology. The professional services provided by IBI Group include planning, design, implementation, analysis of operations and other consulting services related to these four main areas of development.

On the closing of the Fund's initial public offering on August 31, 2004, the net working capital of the business of the Management Partnership was not acquired by the Fund. The remaining amount of such net working capital from the balance on hand at August 31, 2004 is being managed by the Fund and is being recorded as liability to the Management Partnership as it is realized. As at September 30, 2007 \$1,317 (December 31, 2006 - \$850) had been realized, to be paid to the Management Partnership and is shown as a current liability.

2. Basis of presentation:

The accounting principles used in these interim consolidated financial statements are consistent with those used in the annual consolidated financial statements. They do not include all the information and disclosure required by GAAP for annual financial statements, and should be read in conjunction with the annual financial statements for the year ended December 31, 2006.

3. Changes in Accounting Policies

Effective January 1, 2007, the Fund adopted new accounting recommendations from the Canadian Institute of Chartered Accountants (CICA), Handbook Section 1530, Comprehensive Income, Section 1651, Foreign Currency translation, Section 3251, Equity, Section 3855,

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(Unaudited)

Financial Instruments – Recognition and Measurement, Section 3861, Financial Instruments – Disclosure and Presentation, and Section 3865 Hedges.

Section 1530 established standards for reporting and presenting a comprehensive income statement. The statement of comprehensive income shows a total of the net income recognized by the Fund, in addition to the other comprehensive income of the Fund. Other comprehensive income items are items which are being shown on the balance sheet at their fair value until the items are realized.

Section 3855 requires all financial assets and financial liabilities to be classified as one of five categories. Financial assets are to be classified as either held for trading, available for sale, held to maturity or loans and receivables. Financial liabilities are to be classified as either held for trading or other financial liabilities. All financial assets and financial liabilities are to be carried at fair value in the consolidated balance sheet, except held to maturity financial assets, loans and receivables and other financial liabilities which are measured at cost or amortized cost. The Fund has implemented the following classifications:

- Accounts receivable and work in process are classified as “Loans and Receivables”. After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method. For the Fund, the measured amount corresponds to cost due to their short-term maturity.
- Bank indebtedness and cash balances are classified as “Financial Assets Held for Trading”. They are presented at their fair value and the gains/losses arising on the revaluation at each period end are included in consolidated income. The carrying value of bank indebtedness and cash is a reasonable estimate of their fair value due to their short-term maturity.
- Derivative financial instruments that are designated as cash flow hedges are classified as “Assets and Liabilities Available for Sale”. They are presented at their fair value, representing the approximate amount the Fund would receive or pay on settlement of these contracts at spot rates, and the gains/losses arising from the revaluation at the end of each period are included in other comprehensive income. The impact of remeasuring hedging derivatives on the interim consolidated financial statements on January 1, 2007 was to recognize unrealized interest rate swap losses and opening accumulated other comprehensive loss of \$648.
- Accounts payable and accrued liabilities, notes payable and long-term debt are classified as “Other Financial Liabilities”. They are initially presented at their cost or amortized cost. Subsequent measurements are at cost, net of amortization, using the effective interest rate method. For the Fund, that value corresponds to cost either as a result of their short term maturity, or the floating rate nature of some loans or because management estimates that the loans payable with fixed interest rates have no significant difference between their fair value and their carrying value, based on rates currently available to the Fund on loans with similar terms and remaining maturities.

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Effective January 1, 2007, the Fund records all transaction costs for financial assets and financial liabilities in income as incurred. The Fund had previously deferred these costs and amortized them over the term of the related debt. The carrying value of transaction costs at December 31, 2006 of \$315 was charged to opening deficit on transition on January 1, 2007.

Section 3865 specifies the criteria that must be satisfied in order for hedge accounting to be applied and the accounting for each of the permitted hedging strategies: fair value hedges, cash flow hedges and hedges of foreign currency exposures of net investments in self sustaining foreign operations.

In accordance with these new standards there has been a retroactive adjustment to reclassify the \$18 of cumulative translation adjustment as of January 1, 2006 and \$219 as of January 1, 2007 as accumulated other comprehensive loss and therefore is reflected in cumulative impact of implementing new accounting standards.

The CICA issued a new accounting standard, Section 1535 Capital Disclosures, which requires the disclosure of both qualitative and quantitative information that provides users of financial statements with information to evaluate the entity's objectives, policies and processes for managing capital. This new section is effective for the Fund beginning January 1, 2008.

Two new accounting standards were issued by the CICA, Section 3862 Financial Instruments – Disclosures, and Section 3863 Financial Instruments – Presentation. These sections will replace Section 3861 Financial Instruments – Disclosure and Presentation once adopted. The objective of Section 3862 is to provide users with information to evaluate the significance of the financial instruments on the entity's financial position and performance, the nature and extent of risks arising from financial instruments, and how the entity manages those risks. The provisions of Section 3863 deal with the classification of financial instruments, related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. These new sections are effective for the Fund beginning January 1, 2008.

4. Acquisitions:

Acquisitions are accounted for under the purchase method of accounting, and the results of operations since the respective dates of acquisition are included in the consolidated statements of income. From time to time, as a result of the timing of acquisitions in relation to the Fund's reporting schedule, certain of the purchase allocations may not be finalized at the time of reporting. Purchase price allocations are completed after the vendors' final financial statements and income tax returns have been prepared and accepted by the Fund. Such preliminary purchase price allocations are based on management's best estimates of the fair value of the acquired assets and liabilities. Upon finalization, adjustments to the initial estimates may be required. The purchase prices of acquisitions are generally subject to price adjustment clauses included in the purchase agreements. Such purchase price adjustments generally result in an increase or reduction to the promissory note consideration recorded at acquisition to reflect either more or less non-working capital realized than was originally expected.

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(In thousands of dollars)

(Unaudited)

IBI Group made the following acquisitions in 2007 and 2006:

- Effective May 1, 2007, IBI Group acquired the practice of The RMPK Group, Inc
- Effective January 1, 2006, the business of Daniel Arbour & Associates (“DAA”) was merged with the business of IBI Group. The merger with DAA included acquisition of Sodem Inc.
- Effective May 1, 2006, IBI Group acquired the urban environmental practice in which DAA held an indirect 50% interest at the time of the merger of the business of DAA with the business of IBI Group.
- Effective June 1, 2006, IBI Group acquired the practice of Tomasino & Associates, Inc.
- Effective September 1, 2006, IBI Group acquired the practice of Thomas Blurock Architects Inc.
- Effective September 1, 2006, IBI Group acquired the practice of Scharf & Associates Incorporated.

During the third quarter of 2007, the Fund adjusted the purchase price on the Hancock, Bruckner, Eng & Wright acquisition pursuant to price adjustment clauses included in the purchase agreements. The adjustment resulted in a reduction of the goodwill in the amount of \$269.

The aggregate consideration for the acquisitions made in the three and nine months ended September 30, 2007 was allocated as follows:

	Three months ended September 30, 2007	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Cash consideration	\$ -	\$ 458	\$ 16,613
Notes payable issued (retracted), due 2008	(269)	449	2,071
Class C Unit, due 2007	-	-	14,508
Purchase price	\$ (269)	\$ 907	\$ 33,192
Net working capital	\$ -	\$ -	\$ (264)
Property and equipment	-	54	1,925
Intangible assets	-	520	4,824
Goodwill	(269)	333	26,707
Net assets acquired	\$ (269)	\$ 907	\$ 33,192

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Notes to Interim Consolidated Financial Statements
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(In thousands of dollars)

(Unaudited)

5. Bank indebtedness and long-term debt:

On May 31, 2007 IBI Group amended the terms of its credit facilities with its bank lender. Pursuant to this amendment, the credit facilities total was increased by \$15.0 million to \$65.0 million, consisting of a \$15.0 million operating facility (the "Operating Facility") and \$50.0 million term facility (the "Term Facility"). The availability of each of the credit facilities is subject to compliance with certain financial and other covenants.

The Operating Facility is a revolving facility to be used by IBI Group for working capital purposes, to normalize distributions to holders of Class A partnership units and Class B subordinated partnership units of IBI Group and to finance certain payments by IBI Group in respect of certain acquisitions previously made by it. As at September 30, 2007, IBI Group had borrowings of \$12,100 (2006 - \$9,050) under the Operating Facility, net of cash of \$270 (2006 - \$2,169).

The Term Facility is a revolving facility to be used by IBI Group to finance new acquisitions and certain payments by IBI Group in respect of certain acquisitions previously made by it. As at September 30, 2007, IBI Group had borrowings of \$24,000 under the Term Facility.

In addition, a bid bond guarantee facility (the "Bid Bond Facility") of up to USD\$1,000 continues to be made available to IBI Group to be used by IBI Group to meet certain project requirements calling for the issuance of bid bonds to international customers.

The Operating Facility and the Bid Bond Facility will mature on June 30, 2009 and the Term Facility will mature on June 30, 2011.

The indebtedness and obligations of IBI Group under the Operating Facility, the Term Facility and the Bid Bond Facility are secured by guarantees from certain subsidiaries of IBI Group as well as IBI Group Architects (Ontario), and a first ranking security interest in all of the assets of IBI Group and the guarantors, subject to certain permitted encumbrances. The indebtedness secured by these security interests will rank senior to all other security over the assets of IBI Group and the guarantors, subject to certain permitted encumbrances.

Advances under both the Operating Facility and the Term Facility bear interest at a rate based on the Canadian dollar or United States dollar prime rate, LIBOR or banker's acceptance rates, plus, in each case, an applicable margin. Letters of credit and letters of guarantee on customary terms for credit facilities of this nature are also available under the Operating Facility. The Bid Bond Facility is only available by way of such instruments.

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Notes to Interim Consolidated Financial Statements
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(In thousands of dollars)

(Unaudited)

At September 30, 2007, the Fund had \$24,000 (December 31, 2006 - \$10,000) of interest-rate swap agreements outstanding. The terms of these swaps correspond to the terms of the underlying hedged interest payments on the term facility.

Cash balances, which the Fund has the ability and intent to offset, are used to reduce reported bank indebtedness.

6. Future income tax asset:

On June 12, 2007, Bill C-52, Budget Implementation Act, 2007 (the "SIFT Rules") passed third reading in the House of Commons and received Royal Assent on June 22, 2007, enacting amendments to the Income Tax Act (Canada). The SIFT Rules relate to the taxation of certain publicly traded or listed partnerships and trusts which are specified investment flow-through entities ("SIFTs") in Canada. The SIFT Rules effectively provide that certain income of a SIFT will be taxed ("SIFT Tax") at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations.

The SIFT Tax is applicable from January 1, 2007. The SIFT Rules provide transitional relief through 2010 to a SIFT that existed before November 1, 2006 ("Existing Trust"). There will be circumstances where an Existing Trust may lose its transitional relief where its equity capital grows beyond certain dollar limits measured by reference to the Existing Trust's market capitalization at the close of trading on October 31, 2006. The SIFT Tax is not expected to apply to the Fund until 2011.

As a result of this enactment of the SIFT Rules, IBI Group recorded a \$3,150 future income tax credit and increased its future income tax asset in the second quarter of 2007. The future income tax adjustment represents the deductible temporary differences of the Fund that will reverse in or after 2011 tax effected at 31.5 per cent, which is the rate that will be applicable in 2011 and onward under the current legislation and the Fund's current structure.

7. Unitholders' equity and non-controlling interest:

Summary of unit capital transactions:

	2007		2006	
	Units	Amount	Units	Amount
Balance, beginning of period	8,567,778	\$ 89,220	5,025,778	\$ 50,258
Units issued from treasury	–	–	3,542,000	38,962
Balance, end of period	8,567,778	\$ 89,220	8,567,778	\$ 89,220

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(In thousands of dollars)

(Unaudited)

Each unit represents an equal undivided beneficial interest in the Fund and any distributions from the Fund. Each unit is transferable, entitles the holder thereof to participate equally in distributions of the Fund, is not subject to future calls or assessments and entitles the holder to rights to redemption.

Each unit entitles the holder to one vote at all meetings of Unitholders and Non-Participating Unitholders.

The Class B partnership units of IBI Group are indirectly exchangeable for units on the basis of one unit of the Fund for each Class B subordinated partnership unit. If all such Class B partnership units of IBI Group had been exchanged for units on September 30, 2007, the units issued on such exchange would have represented a 37% interest in the Fund.

Class B partnership units do not entitle the holder to voting rights at the meetings of Unitholders and Non-Participating Unitholders. At the time of issuance of the Class B partnership units, one Non-Participating Voting unit of the Fund was issued to the holder of the Class B partnership units for each Class B partnership unit held. The Class B partnership units have been recorded as a non-controlling interest in the consolidated financial statements.

The movements in non-controlling interest are set out below:

	Nine months ended September 30, 2007	Year ended December 31, 2006
Balance, beginning of period	\$ 46,818	\$ 46,258
Earnings for the period	7,601	6,660
Distributions	(5,080)	(6,100)
Balance, end of period	\$ 49,339	\$ 46,818

8. Related party transactions:

(a) IBI Group leases its Toronto office space from corporations which are indirectly owned by the partners of the Management Partnership which owns all of the 5,025,778 Class B subordinated partnership units and 1,864,080 units of the Fund, representing a total ownership of 50.7% of IBI Group. The leases were entered into in 2002 at then current market rates of approximately \$1,800 per annum, and expire on December 31, 2012. Effective January 1, 2006, IBI Group leased approximately 14,000 square feet of additional space under these leases at the then current market rates, bringing the total annual lease payments under these leases to approximately \$2,200.

(b) Pursuant to the Administration Agreement entered into in connection with the closing of the Offering, IBI Group and certain of its subsidiaries are paying to the Management

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(Unaudited)

Partnership an amount representing the base compensation for the services of the principals of the partners of the Management Partnership. This amount was \$3,000 for the three months ended September 30, 2007 (2006 - \$2,400) and \$8,900 for the year to date (2006 - \$7,000). In addition, IBI Group pays a separate management fee to the Management Partnership representing compensation paid to the partners of DAA through the Management Partnership as compensation for such partners providing their services to IBI Group through Management Partnership. The amount of this management fee paid for the three months ended September 30, 2007 was \$300 (2006 - \$300) and \$800 for the year to date (2006 - \$900)

- (c) On September 27, 2007, IBI Group Management Partnership advanced \$4,000 to IBI Group. The loan bears interest at the same rate as the operating line of credit that IBI Group has with its bank lender, less any commitment fees payable to its bank lender. The loan is subordinated to the Fund's indebtedness to its bank lender and is unsecured. The loan will mature two years following the original issuance of the promissory note evidencing the loan. As at September 30, 2007, IBI Group had advances of \$9,000 owing to IBI Group Management Partnership.
- (d) The balance of consideration owing in respect of the merger of the business of DAA with the business of IBI Group of \$14,508 was funded by the issuance to the Management Partnership of a Class C Unit of IBI Group, classified as a current liability, which entitled the Management Partnership to be paid \$14,508 on January 31, 2007 together with an additional amount calculated by multiplying such amount by the prime interest rate quoted by IBI Group's bank lender. The Class C Unit was repaid on January 31, 2007.

9. Segment information:

The Fund is an international, multi-disciplinary provider of a broad range of professional services focused on the physical development of cities. The Fund considers the basis on which it is organized, including geographic areas and service offerings, in identifying its reportable segments. Operating segments of the Fund are defined as components of the Fund for which separate financial information is available that is evaluated regularly in allocating resources and assessing performance by the chief operating decision maker, who is the Chief Executive Officer of IBI Group.

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(In thousands of dollars)

(Unaudited)

All operations of the Fund are included in one reportable segment - consulting services, that provides services in Canada, the United States, and internationally.

	2007		2006	
	Fees for the nine months ended September 30	Property and equipment, goodwill, intangible assets at September 30	Fees for the nine months ended September 30	Property and equipment, goodwill, intangible assets at December 31
Canada	\$ 98,515	\$ 95,964	\$ 84,846	\$ 97,353
United States	24,418	12,960	20,261	12,063
International	7,289	2,395	6,929	2,053
	<u>\$ 130,222</u>	<u>\$111,319</u>	<u>\$112,036</u>	<u>\$ 111,469</u>

Fees are attributed to countries based on the location of the work performed.

Customers

The Fund has a large number of clients in various industries and sectors of the economy. Fees are not concentrated in any particular client.

10. Contingencies:

In the normal course of business, the Fund is a defendant in a number of lawsuits. The potential liability, if any, is not determinable and in management's opinion, it would not have a material effect on these consolidated financial statements.

11. Comparative Figures:

Certain comparative figures have been reclassified to conform to the presentation adopted for the current period.

12. Subsequent Event:

On October 31 2007, IBI Group completed the acquisition of Planning & Engineering Initiatives Limited ("PEIL"). PEIL is a multidisciplinary consulting firm focused on the practice of planning, civil engineering and landscape architecture. The Firm has been serving municipal governments, as well as private clients, from its offices in Kitchener, Hamilton, Brantford and Mississauga for thirty years. This acquisition will add 63 staff to the 1,429 current staff of IBI Group.