



For Immediate Release

Toronto Stock Exchange: BPF.UN

BOSTON PIZZA ROYALTIES INCOME FUND ANNOUNCES 2018 FOURTH QUARTER AND ANNUAL RESULTS INCLUDING SYSTEM-WIDE GROSS SALES OF OVER \$1.1 BILLION FOR THE YEAR, AN INCREASE OF 1.5%

Franchise Sales of \$855.1 million for 2018 increased by 1.3% versus one year ago

HIGHLIGHTS

- System-Wide Gross Sales¹ of \$278.5 million for the Period and \$1.1 billion for the Year, representing increases of 1.1% and 1.5%, respectively, versus the same periods one year ago.
- Franchise Sales² from royalty pool restaurants of \$211.4 million for the Period and \$855.1 million for the Year, representing increases of 1.7% and 1.3%, respectively, versus the same periods one year ago.
- Same store sales growth of negative 0.2% for the Period and positive 0.1% for the Year.
- Distributable Cash³ per Unit increased 0.3% for the Period and decreased 3.1% for the Year.
- Payout Ratio⁴ of 103.8% for the Period and 103.3% for the Year. Cash balance at the end of the Year was \$2.7 million.
- Effective January 1, 2018, the British Columbia provincial government increased the general corporate income tax rate by 1%, which increased the Fund's SIFT tax rate by 1% to 27%. The decreases in Distributable Cash per Unit and the increases in Payout Ratio for the Year compared to the same period in 2017 were principally due to the 1% increase in SIFT Tax.
- Boston Pizza opened five net new full service restaurants and completed 36 restaurant renovations in 2018.
- On February 8, 2019 the Trustees declared the January 2019 distribution to unitholders of 11.5 cents per Unit.

VANCOUVER, BC, February 14, 2019 - Boston Pizza Royalties Income Fund (the "**Fund**") and Boston Pizza International Inc. ("**BPI**") reported financial results today for the fourth quarter period from October 1, 2018 to December 31, 2018 (the "**Period**") and January 1, 2018 to December 31, 2018 (the "**Year**"). A copy of this press release, the annual consolidated financial statements and related Management's Discussion and Analysis ("**MD&A**") of the Fund and BPI are available at www.sedar.com and www.bpincomefund.com. The Fund will host a conference call to discuss the results on February 14, 2019 at 8:30 am Pacific Time (11:30 am Eastern Time). The call can be accessed by dialling 1-800-319-4610 or 604-638-5340. A replay will be available until March 14, 2019 by dialling 1-800-319-6413 or 604-638-9010. and entering the access code: 2918 followed by the # sign. The replay will also be available at www.bpincomefund.com.

Same store sales growth⁵ ("**SSSG**"), a key driver of distribution growth for unitholders of the Fund, was negative 0.2% for the Period and positive 0.1% for the Year compared with positive 0.1% and negative 0.3%, respectively, for the same periods in 2017. Franchise Sales, the basis upon which Royalty⁶ and Distribution Income⁶ are paid to the Fund, exclude revenue from the sale of liquor, beer, wine and approved national promotions and discounts. On a Franchise Sales basis, SSSG was positive 0.1% for the Period and negative 0.3% for the Year compared with negative 0.2% and negative 0.4%, respectively, for the same periods in 2017. The SSSG for the Period and Year was principally due to menu re-pricing and increased take-out and delivery sales, offset by weak general economic conditions in regions directly connected to the Canadian oil and gas industry and lower guest traffic. Much of the menu price increases were made in response to provincial minimum wage increases, and those menu price increases contributed to reduced guest traffic compared to the same period last year. BPI continues to monitor reactions to menu strategies in order to adapt to the competitive restaurant environment. Franchise Sales of restaurants in the Fund's Royalty Pool were \$211.4 million for the Period and \$855.1 million for the Year compared to \$207.9 million and \$844.5 million, respectively, for the same periods in 2017. The increase in Franchise Sales for the Period was primarily due to the additional Franchise Sales from eight Net New Restaurants⁷ added to the Royalty Pool on January 1, 2018 and positive SSSG on a Franchise Sales basis. For the Year, the increase in Franchise Sales was primarily due to the additional Franchise Sales from eight Net New Restaurants added to the Royalty Pool on January 1, 2018, partially offset by negative SSSG on a Franchise Sales basis.

"We are pleased to have opened 10 new Boston Pizza restaurants and completed another 36 restaurant renovations during 2018. In addition, we continue to see strength in take-out and delivery sales driven by online ordering through the BostonPizza.com website and the 'MyBP' app, and by our national partnership with Skip-the-Dishes," said Jordan Holm, President of BPI. "As a result, we achieved increases to Distributable Cash per Unit in

the fourth quarter of 2018 and to System-wide Gross Sales of 1.5% to over \$1.1 billion for the year, further solidifying our position as Canada's #1 casual dining brand."

The Fund's net and comprehensive loss was \$1.0 million for the Period compared to net and comprehensive income of \$7.1 million for the fourth quarter of 2017. The \$8.1 million decrease in the Fund's net and comprehensive income for the Period compared to the fourth quarter of 2017 was primarily due to a \$8.6 million change in fair value adjustments, partially offset by lower income taxes of \$0.6 million. The Fund's net and comprehensive income was \$8.7 million for the Year compared to net and comprehensive income of \$27.0 million in 2017. The \$18.3 million decrease in the Fund's net and comprehensive income for the Year compared to 2017 was primarily due to a \$22.7 million change in fair value adjustments, partially offset by lower income taxes of \$2.8 million and higher Royalty income of \$0.4 million and Distribution Income of \$0.5 million. For a detailed discussion on the Fund's net and comprehensive income, please see the "Operating Results – Net and Comprehensive Income / Basic and Diluted Earnings" section in the Fund's MD&A for the Period and the Year. The Fund's net income under International Financial Reporting Standards ("IFRS") contains non-cash items, such as the fair value adjustments on financial instruments and deferred income taxes, that do not affect the Fund's business operations or its ability to pay distributions to unitholders. In the Fund's view, net income is not the only or most meaningful measurement of the Fund's ability to pay distributions. Consequently, the Fund reports the non-IFRS metrics of Distributable Cash and Payout Ratio to provide investors with more meaningful information regarding the amount of cash that the Fund has generated to pay distributions and the extent to which the Fund has distributed that cash. The Fund also reports the non-IFRS metric of SSSG to provide investors useful information regarding the change in gross sales of Boston Pizza restaurants. Readers are cautioned that Distributable Cash, Payout Ratio and SSSG are non-IFRS financial measures that do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. For a reconciliation between cash flow from operating activities (the most directly comparable IFRS measure) and Distributable Cash see the "Financial Summary" section of this press release. For a detailed discussion on the Fund's Distributable Cash and Payout Ratio, please see the "Operating Results – Distributable Cash / Payout Ratio" section in the Fund's MD&A for the Period and the Year. A reconciliation of SSSG to an IFRS measure is not possible.

The Fund generated Distributable Cash of \$7.3 million for the Period compared to \$7.2 million for the fourth quarter of 2017. The increase in Distributable Cash of \$0.1 million or 0.2% was primarily attributable to higher Royalty and Distribution Income of \$0.2 million, partially offset by higher interest paid on debt of \$0.1 million. The Fund generated Distributable Cash of \$29.2 million for the Year compared to \$28.6 million in 2017. The increase in Distributable Cash of \$0.6 million or 2.4% was primarily attributable to higher Royalty and Distribution Income of \$0.9 million and a decrease in BPI's entitlement related to Class B general partner units ("**Class B Units**") of Boston Pizza Royalties Limited Partnership ("**Royalties LP**") of \$0.9 million, partially offset by higher SIFT Tax of \$0.8 million and higher interest paid on debt of \$0.3 million.

The Fund generated Distributable Cash per Unit of \$0.332 for the Period compared to \$0.331 per Unit for the fourth quarter of 2017. The increase in Distributable Cash per Unit of \$0.001 or 0.3% was primarily attributable to positive SSSG on a Franchise Sales basis for the Period, partially offset by the British Columbia provincial government increasing the general corporate tax rate by 1% effective January 1, 2018, which increased the Fund's SIFT Tax rate by 1% to 27% for the Period. The Fund generated Distributable Cash per Unit of \$1.336 for the Year compared to \$1.379 per Unit in 2017. The decrease in Distributable Cash per Unit of \$0.043 or 3.1% was primarily attributable to higher SIFT tax and negative SSSG on a Franchise Sales basis for the Year.

The Fund's Payout Ratio for the Period was 103.8% and 103.3% for the Year compared to 104.2% and 100.0%, respectively, for the same periods in 2017. The decrease in the Fund's Payout Ratio for the Period compared to the same period in 2017 was due to the combined effects of distributions paid decreasing by a nominal amount or 0.2% and Distributable Cash increasing by \$0.1 million or 0.2%. The increase in the Fund's Payout Ratio for the Year compared to the same period in 2017 was due to the combined effects of distributions paid increasing by \$1.7 million or 5.8% and Distributable Cash increasing by \$0.6 million or 2.4%. The increase in distributions paid in the Year compared to the same period in 2017 was due to BPI having exchanged 1,910,597 Class B Units and 40,815,839 Class 2 general partner units of Boston Pizza Canada Limited Partnership ("**BP Canada LP**") for 1,600,000 Units on September 26, 2017. The Fund strives to provide unitholders with consistent monthly distributions, and as a result, the Fund will generally experience seasonal fluctuations in its Payout Ratio. The Fund's Payout Ratio is likely to be higher in the first and fourth quarters each year compared to the second and third quarters each year since Boston Pizza restaurants generally experience higher Franchise Sales during the summer months when restaurants open their patios and benefit from increased tourist traffic. Higher Franchise Sales generally result in increases in Distributable Cash. A key feature of the Fund is that it is a "top line" structure, in which BPI and BP Canada LP pay the Fund an amount based on Franchise Sales from restaurants in the Fund's

royalty pool. Accordingly, unitholders of the Fund are not directly exposed to changes in the operating costs or profitability of BPI, BP Canada LP or individual Boston Pizza restaurants. Given this structure, and that the Fund has no current mandate to retain capital for other purposes, it is expected that the Fund will maintain a Payout Ratio close to 100% over time as the trustees of the Fund continue to distribute all available cash in order to maximize returns to unitholders.

On February 8, 2019, the trustees of the Fund approved a cash distribution to unitholders of 11.5 cents per Unit in respect of the period from January 1, 2019 to January 31, 2019. This distribution will be payable on February 28, 2019 to Unitholders of record at the close of business on February 21, 2019. The Fund periodically reviews distribution levels based on its policy of stable and sustainable distribution flow to unitholders. Including the January 2019 distribution, which will be paid on February 28, 2019, the Fund will have paid out 199 consecutive monthly distributions totaling \$309.3 million or \$20.76 per Unit. Unitholders have received 18 distribution increases since the Fund's initial public offering of Units in 2002.

FINANCIAL SUMMARY

The tables below set out selected information from the Fund's annual consolidated financial statements together with other data and should be read in conjunction with the annual consolidated financial statements and MD&A of the Fund for the years ended December 31, 2018 and 2017.

<i>For the years ended December 31</i>	2018	2017	2016
<i>(in thousands of dollars – except restaurants, SSSG, Payout Ratio and per Unit items)</i>			
System-Wide Gross Sales	1,115,200	1,099,107	1,080,559
Number of restaurants in Royalty Pool	391	383	372
Franchise Sales reported by restaurants in the Royalty Pool	855,108	844,496	828,619
Royalty income	34,204	33,780	33,145
Distribution Income	11,407	10,904	10,700
Interest income	33	1,217	1,808
Total revenue	45,644	45,901	45,653
Administrative expenses	(1,255)	(1,209)	(1,174)
Interest expense on debt	(2,676)	(2,437)	(2,461)
Interest expense on Class B Unit and Class C GP Unit liabilities	(3,722)	(5,818)	(6,392)
Profit before fair value adjustments and income taxes	37,991	36,437	35,626
Fair value adjustment on investment in BP Canada LP	(37,099)	(4,441)	24,733
Fair value adjustment on Class B Unit liability	14,814	3,122	(12,960)
Fair value adjustment on interest rate swaps	(412)	1,275	702
Current and deferred income tax expense	(6,625)	(9,400)	(10,336)
Net and comprehensive income	8,669	26,993	37,765
Basic earnings per Unit	0.40	1.30	1.86
Diluted (loss) earnings per Unit	(0.12)	1.16	1.86
<u>Distributable Cash / Distributions / Payout Ratio</u>			
Cash flows from operating activities	35,678	36,823	36,858
Class C GP Unit distributions to BPI	-	(1,200)	(1,800)
BPI Class B Unit entitlement	(3,722)	(4,618)	(4,522)
Interest paid on long-term debt	(2,710)	(2,440)	(2,394)
SIFT Tax on Units	(6)	(9)	37
Distributable Cash	29,240	28,556	28,179
Distributions paid	30,191	28,547	27,876
Payout Ratio	103.3%	100.0%	98.9%
Distributable Cash per Unit	1.336	1.379	1.388
Distributions paid per Unit	1.380	1.380	1.373
<u>Other</u>			
Same store sales growth	0.1%	(0.3%)	(0.3%)
Number of restaurants opened	10	11	13
Number of restaurants closed	5	3	2
<i>As at December 31</i>			
Total assets	403,686	434,939	444,332
Total liabilities	131,019	139,201	181,120

Notes:

- 1) "**System-Wide Gross Sales**" means the gross revenue: (i) of the corporate Boston Pizza restaurants in Canada owned by BPI; and (ii) reported to BP Canada LP by franchised Boston Pizza restaurants in Canada, without audit or other form of independent assurance, and in the case of both (i) and (ii), including revenue from the sale of liquor, beer, wine and revenue from BP Canada LP approved national promotions and discounts and excluding applicable sales and similar taxes.
- 2) "**Franchise Sales**" is the basis upon which Royalty and Distribution Income are payable, and means the gross revenue: (i) of the corporate Boston Pizza restaurants in Canada owned by BPI that are in the Fund's Royalty Pool; and (ii) reported to BP Canada LP by franchised Boston Pizza restaurants in Canada that are in the Fund's Royalty Pool, without audit or other form of independent assurance, and in the case of both (i) and (ii), after deducting revenue from the sale of liquor, beer, wine and revenue from BP Canada LP approved national promotions and discounts and excluding applicable sales and similar taxes. Nevertheless, BP Canada LP periodically conducts audits of the Franchise Sales reported to it by its franchisees, and the Franchise Sales reported herein include results from sales audits of earlier periods.
- 3) "**Distributable Cash**" is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that this non-IFRS financial measure provides useful information to investors regarding the amount of cash the Fund has generated for distribution on the Units. The preceding table provides a reconciliation from this non-IFRS financial measure to cash flows from operating activities, which is the most directly comparable IFRS measure. Investors are cautioned that this should not be construed as an alternative to cash flows from operating activities. For additional information regarding this financial metric, see the heading "Description of Non-IFRS and Additional IFRS Measures" in the Fund's MD&A for the Period and the Year.
- 4) "**Payout Ratio**" is calculated by dividing the aggregate distributions paid by the Fund during a period by the Distributable Cash generated in that period. Payout Ratio is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that this non-IFRS financial measure provides investors with useful information regarding the extent to which the Fund distributes cash on the Units. As the Payout Ratio is calculated from a formula which includes Distributable Cash, which is a non-IFRS measure, a reconciliation of Payout Ratio to an IFRS measure is not possible. For additional information regarding this financial metric, see the heading "Description of Non-IFRS and Additional IFRS Measures" in the Fund's MD&A for the Period and the Year.
- 5) "**SSSG**" is the change in gross revenue of Boston Pizza restaurants as compared to the gross revenue for the same period in the previous year for Boston Pizza restaurants that have been open for a minimum 24 months. SSSG is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes SSSG provides investors useful information regarding the change in gross sales of Boston Pizza restaurants.
- 6) Royalties LP licenses BPI the right to use various Boston Pizza trademarks in return for BPI paying Royalties LP a royalty equal to 4% of Franchise Sales of Boston Pizza restaurants in the Fund's royalty pool ("**Royalty**"). "**Distribution Income**" is income received indirectly by the Fund on Class 1 LP Units and Class 2 LP Units of BP Canada LP. See the "Overview – Purpose of the Fund / Sources of Revenue" section of the Fund's MD&A for the Period and the Year for more details.
- 7) On January 1 of each year, an adjustment is made to add the Fund's Royalty Pool new Boston Pizza restaurants that opened and to remove any Boston Pizza restaurants that permanently closed since January 1 of the previous year (the "**Net New Restaurants**").
- 8) Profit before fair value adjustments and income taxes is an additional IFRS measure. For additional information regarding these financial metrics, see the heading "Description of Non-IFRS and Additional IFRS Measures" in the Fund's MD&A for the Period and the Year.
- 9) Prior to September 26, 2017, BPI owed the Fund \$24.0 million pursuant to a credit agreement that was acquired by the Fund as part of the Fund's initial public offering of Units that occurred on July 17, 2002 (the "**BP Loan**"). Interest accrued on all amounts outstanding under the BP Loan at the rate of 7.5% per annum and interest was payable in arrears by BPI to the Fund on the first day of each month. The principal amount, together with all accrued and unpaid interest, outstanding under the BP Loan was to become due and payable on July 17, 2042. On September 26, 2017, BPI exchanged 2,400,000 Class C general partner units of Royalties LP ("**Class C GP Units**") for the assumption by Boston Pizza Holdings Limited Partnership ("**Holdings LP**") of BPI's obligation to pay the Fund the BP Loan (the "**Class C Exchange**"). As part of the Class C Exchange, Holdings LP received 2,400,000 Class C limited partner units of Royalties LP, which entitle Holdings LP to receive the monthly distributions from Royalties LP that BPI previously received on the Class C GP Units. Immediately following the Class C Exchange, the Fund and its subsidiaries capitalized and eliminated the BP Loan.
- 10) Other capitalized terms used in this press release are defined in the Fund's MD&A for the Period and the Year.

SUMMARY OF QUARTERLY RESULTS

	Q4 2018	Q3 2018	Q2 2018	Q1 2018
(in thousands of dollars – except restaurants, SSSG, Payout Ratio and per Unit items)				
System-Wide Gross Sales	278,486	290,331	280,848	265,535
Number of restaurants in Royalty Pool	391	391	391	391
Franchise Sales reported by restaurants in the Royalty Pool	211,350	224,368	215,353	204,037
Royalty income	8,454	8,974	8,615	8,161
Distribution Income	2,823	2,991	2,871	2,722
Interest income	9	8	7	9
Total revenue	11,286	11,973	11,493	10,892
Administrative expenses	(299)	(303)	(327)	(326)
Interest expense on debt	(693)	(672)	(662)	(649)
Interest expense on Class B Unit liability	(1,239)	(908)	(934)	(641)
Profit before fair value adjustments and income taxes	9,055	10,090	9,570	9,276
Fair value adjustment on investment in BP Canada LP	(11,675)	(13,476)	(1,800)	(10,148)
Fair value adjustment on Class B Unit liability	4,661	5,380	719	4,054
Fair value adjustment on interest rate swaps	(732)	298	17	5
Current and deferred income tax expense	(2,270)	(1,361)	(2,219)	(775)
Net and comprehensive (loss) income	(961)	931	6,287	2,412
Basic (loss) earnings per Unit	(0.04)	0.04	0.29	0.11
Diluted (loss) earnings per Unit	(0.21)	(0.17)	0.23	(0.07)
<u>Distributable Cash / Distributions / Payout Ratio</u>				
Cash flows from operating activities	8,882	9,548	8,958	8,290
BPI Class B Unit entitlement	(926)	(915)	(931)	(950)
Interest paid on long-term debt	(683)	(687)	(669)	(671)
SIFT Tax on Units	(7)	25	(29)	5
Distributable Cash	7,266	7,971	7,329	6,674
Distributions paid	7,539	7,551	7,550	7,551
Payout Ratio	103.8%	94.7%	103.0%	113.1%
Distributable Cash per Unit	0.332	0.364	0.335	0.305
Distributions paid per Unit	0.345	0.345	0.345	0.345
<u>Other</u>				
Same store sales growth	(0.2%)	0.0%	0.3%	0.2%
Number of restaurants opened	7	2	1	0
Number of restaurants closed	0	4	0	1

SUMMARY OF QUARTERLY RESULTS (continued)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017
(in thousands of dollars – except restaurants, SSSG, Payout Ratio and per Unit items)				
System-Wide Gross Sales	275,539	286,731	275,637	261,200
Number of restaurants in Royalty Pool	383	383	383	383
Franchise Sales reported by restaurants in the Royalty Pool	207,852	221,547	212,691	202,406
Royalty income	8,314	8,862	8,508	8,096
Distribution Income	2,797	2,863	2,686	2,558
Interest income	9	304	452	452
Total revenue	11,120	12,029	11,646	11,106
Administrative expenses	(299)	(273)	(335)	(302)
Interest expense on debt	(613)	(611)	(612)	(601)
Interest expense on Class B Unit and Class C GP Unit liabilities	(1,138)	(1,727)	(1,756)	(1,197)
Profit before fair value adjustments and income taxes	9,070	9,418	8,943	9,006
Fair value adjustment on investment in BP Canada LP	1,146	(7,455)	2,575	(707)
Fair value adjustment on Class B Unit liability	(393)	4,929	(1,561)	147
Fair value adjustment on interest rate swaps	115	668	493	(1)
Current and deferred income tax expense	(2,885)	(2,115)	(2,527)	(1,873)
Net and comprehensive income	7,053	5,445	7,923	6,572
Basic earnings per Unit	0.32	0.27	0.39	0.32
Diluted earnings per Unit	0.32	0.02	0.39	0.26
<u>Distributable Cash / Distributions / Payout Ratio</u>				
Cash flows from operating activities	8,749	9,953	9,379	8,742
Class C GP Unit distributions to BPI	-	(300)	(450)	(450)
BPI Class B Unit entitlement	(871)	(1,113)	(1,304)	(1,330)
Interest paid on long-term debt	(605)	(615)	(619)	(601)
SIFT Tax on Units	(24)	(5)	53	(33)
Distributable Cash	7,249	7,920	7,059	6,328
Distributions paid	7,551	6,999	6,998	6,999
Payout Ratio	104.2%	88.4%	99.1%	110.6%
Distributable Cash per Unit	0.331	0.389	0.348	0.312
Distributions paid per Unit	0.345	0.345	0.345	0.345
<u>Other</u>				
Same store sales growth	0.1%	0.4%	(1.6%)	0.0%
Number of restaurants opened	7	2	1	1
Number of restaurants closed	0	1	1	1

OUTLOOK

Boston Pizza is well positioned for future growth and should continue to strengthen its position as the number one casual dining brand in Canada by achieving positive SSSG and opening new Boston Pizza locations across Canada.

The two principal factors that affect SSSG are changes in customer traffic and changes in average guest cheque. BPI's and BP Canada LP's strategies to drive higher guest traffic include attracting a wide variety of guests into the restaurant, sports bar and take-out and delivery parts of each location, offering a compelling value proposition to guests and leveraging a larger marketing budget versus the previous year along with a revised calendar of national and local store promotions. Increased average cheque levels are expected to be achieved through a combination of culinary innovation and annual menu re-pricing. In addition, the franchise agreement governing each Boston Pizza Restaurant requires a complete store renovation every seven years. Restaurants typically close for two to three weeks to complete the renovation and experience an incremental sales increase in the year following the re opening.

Boston Pizza remains well positioned for future expansion as evidenced by the five Net New Restaurants that opened in 2018. There are currently six new locations under construction. BPI's management believes that Boston Pizza will continue to serve more guests in more locations than any other casual dining brand in Canada by pursuing further restaurant development opportunities across the country.

ABOUT US

The Fund is a limited purpose open ended trust with an excellent track record for investors since its IPO in 2002. Including the January 2019 distribution which is payable on February 28, 2019, the Fund has delivered 18 distribution increases and 199 consecutive monthly distributions totaling \$309.3 million or \$20.76 per Unit. The Fund earns revenue based on the franchise system sales of the 396 Boston Pizza restaurants in the Fund's royalty pool.

BPI is Canada's number one casual dining brand with annual gross sales of over \$1.1 billion serving more than 50 million guests through over 395 mainly franchisee operated restaurants. The Boston Pizza brand has successfully existed for over 50 years since opening its first restaurant in Edmonton, Alberta in 1964. BPI has been recognized as a Platinum Member of Canada's 50 Best Managed Companies and has been a Franchisees' Choice Designation winner for seven consecutive years.

Certain information in this press release constitutes "forward-looking information" that involves known and unknown risks, uncertainties, future expectations and other factors which may cause the actual results, performance or achievements of the Fund, Boston Pizza Holdings Trust, Boston Pizza Royalties Limited Partnership, Boston Pizza Holdings Limited Partnership, Boston Pizza Holdings GP Inc., Boston Pizza GP Inc., BPI, BP Canada LP, Boston Pizza Canada Holdings Inc., Boston Pizza Canada Holdings Partnership, Boston Pizza restaurants, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Fund or management of BPI expects or anticipates will or may occur in the future, including such things as, seasonal fluctuations in the Payout Ratio, the Payout Ratio is likely to be higher in the first and fourth quarters, higher Franchise Sales generally result in increases in Distributable Cash, a Payout Ratio close to 100% will be maintained, trustees of the Fund will continue to distribute all available cash in order to maximize returns to unitholders, Boston Pizza being well positioned for future growth and expansion, the strengthening of Boston Pizza's position as the number one casual dining brand in Canada, the achievement of positive SSSG, opening of new restaurants, attracting a wide variety of guests into the restaurant, sports bar and take-out and delivery parts at each location, offering compelling value proposition to guests, leveraging a larger marketing budget with a revised calendar of national and store promotions, increases in average guest cheques levels, incremental sales increasing after store renovations, plans to pursue restaurant development opportunities and other such matters are forward-looking information. When used in this press release, forward-looking information may include words such as "anticipate", "estimate", "may", "will", "expect", "believe", "plan", "should", "continue" and other similar terminology. The material factors and assumptions used to develop the forward-looking information contained in this press release include the following: future results being similar to historical results, expectation related to future general economic conditions, business plans, receipt of franchise fees and other amounts, franchisees access to financing, pace of commercial real estate development, protection of intellectual property rights of Boston Pizza Royalties Limited Partnership and absence of changes of laws. Risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by the forward-looking information contained herein, relate to (among others) competition, demographic trends, consumer preferences and discretionary spending patterns, business and economic conditions, legislation and regulation, Distributable Cash and reliance on operating revenues, accounting policies and practices, the results of operations and financial condition of BPI, BP Canada LP and the Fund, as well as those factors discussed under the heading "Risks and Uncertainties" in the most recent Annual Information Form of the Fund. This information reflects current expectations regarding future events and operating performance and speaks only as of the date of this press release. Except as required by law, the Fund and BPI assume no obligation to update previously disclosed forward-looking information. For a complete list of the risks associated with forward-looking information and the Fund's business, please refer to the "Risks and Uncertainties" and "Note Regarding Forward-Looking Information" sections included in the Fund's MD&A for the Period and the Year available at www.sedar.com and www.bpincomefund.com.

The trustees of the Fund approved the contents of this press release.

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