



For Immediate Release

The Toronto Stock Exchange: BPF.UN

BOSTON PIZZA ROYALTIES INCOME FUND & BOSTON PIZZA INTERNATIONAL INC.
ANNOUNCE 2004 THIRD QUARTER RESULTS

Distributions up 11.8% over Third Quarter 2003
Year-To-Date Same Store Sales Growth 7.4%

VANCOUVER, BC, (November 15, 2004) - Boston Pizza Royalties Income Fund (the "Fund") and Boston Pizza International Inc. ("BPI") each reported today third quarter financial results for the period of July 1, 2004 to September 30, 2004 (the "Period"). A copy of the combined 2004 third quarter report is available at www.sedar.com and www.bpincomefund.com.

Boston Pizza continued to deliver strong results in the third quarter of 2004, posting 6.1% same store sales growth ("SSSG") over the same period in 2003. Year-to-date SSSG was 7.4%.

"We are very pleased with the results we have achieved so far in 2004. Our strong same store sales growth, combined with a record level of new store openings and no restaurant closures, continues to prove Boston Pizza's suitability for the income trust model," said Mike Cordoba, Chief Executive Officer for BPI and a Director of Boston Pizza GP Inc.

For this Period, the Fund received royalty income of \$3,507,698 from BPI and distributions of \$0.285 per unit were declared. Distributions declared per unit rose during the Period by 11.8% compared with the third quarter of 2003 in which distributions declared were \$0.255 per unit.

The Fund is a limited purpose, open-ended trust established under the laws of British Columbia to acquire indirectly certain trade marks and trade names used by BPI in its Boston Pizza restaurants in Canada. The trade marks are licensed to BPI for 99 years for which BPI pays the Fund 4% of franchise revenues of its 177 Boston Pizza restaurants that comprise the Royalty Pool.

HIGHLIGHTS

The following table sets out selected historical information and other data of the Fund, which should be read in conjunction with the attached consolidated financial statements of the Fund.

	July 1, 2004 to September 30, 2004	July 1, 2003 to September 30, 2003	January 1, 2004 to September 30, 2004	January 1, 2003 to September 30, 2003
(in thousands of dollars –except restaurants and per unit items)				
Number of restaurants in Royalty Pool	177	162	177	162
Franchise Revenues reported by restaurants in Royalty Pool	\$87,692	\$76,467	\$247,352	\$213,496
Royalty & Interest Income	\$3,960	\$3,509	\$11,249	\$9,892
Earnings before Non- Controlling Interest	\$3,780	\$3,311	\$10,722	\$9,241
Non-Controlling Interest ¹	\$1,160	\$997	\$3,478	\$3,134
Net earnings	\$2,620	\$2,315	\$7,244	\$6,107
Earnings per Fund unit	\$0.30	\$0.29	\$0.85	\$0.78
Distributions declared per Fund unit	\$0.29	\$0.26	\$0.73	\$0.67
Same Store Sales Growth	6.1%	5.0%	7.4%	3.1%
Number of restaurants opened during Period	5	5	14	10
Number of restaurants closed during Period	0	0	0	0

Notes:

¹ Represents Boston Pizza International's interest in the Fund.

Boston Pizza continued to expand its presence across Canada opening five new Boston Pizza restaurants during the Period, with no restaurants being closed. As well, two restaurants were renovated during the Period. The combination of SSSG, new restaurants added to the Royalty Pool in 2004, and Boston Pizza International's ("BPI") unique renovation program contributed to overall franchise sales growth of Fund royalty pool restaurants of 14.7% during the Period compared to the same period in 2003. Subsequent to the Period an additional three restaurants were opened and BPI exceeded its new store opening projection. The forecast for 2004 was 15 new restaurant openings. As of November 10, 2004 BPI has opened 17 new Boston Pizza restaurants in 2004. From November 2, 2003 to November 1, 2004 a total of 18 new restaurants were opened and will be added to the Fund's Royalty Pool on January 1, 2005. As well, from November 2, 2003 to November 1, 2004 BPI did not close any restaurants. BPI does not anticipate that any additional restaurants will open in the remainder of 2004.

Outlook

Going forward BPI management continues to focus on opening new stores and delivering industry-leading SSSG. SSSG, the primary source of revenue growth for individual unitholders, will continue to be achieved through executing effective national and local marketing promotions, superior customer service, and Boston Pizza's unique renovation program, which requires each Boston Pizza location conduct a full renovation every seven years. BPI anticipates that a total of 11 renovations will be completed in 2004.

We remain confident that Boston Pizza will continue to enhance its position as Canada's Number One Casual Dining Brand.

Certain statements in this quarterly report may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this quarterly report such statements are such words as "may", "will", "expect", "believe", "plan", and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this quarterly report. These forward-looking statements involve a number of risks and uncertainties. The following are some factors that could cause actual results to differ materially from those expressed in or underlying such forward-looking statements: competition; changes in demographic trends; changing consumer preferences and discretionary spending patterns; changes in national and local business and economic conditions; legislation and governmental regulation; accounting policies and practices; and the results of operations and financial condition of BPI. The foregoing list of factors is not exhaustive.

BOSTON PIZZA ROYALTIES INCOME FUND

Consolidated Balance Sheets

	September 30, 2004	December 31, 2003
	(Unaudited)	
Assets		
Current assets:		
Cash	\$ 537,229	\$ 273,890
Due from Boston Pizza International Inc. (note 3)	1,294,044	1,186,755
Loan receivable from Boston Pizza International Inc.	2,981,217	3,787,587
Prepaid expenses	84,607	54,938
	<u>4,897,097</u>	<u>5,303,170</u>
Note receivable from Boston Pizza International Inc.	24,000,000	24,000,000
Intangible assets (note 5)	128,843,700	109,348,900
Deferred financing charges, net of accumulated amortization of \$65,700 (December 31, 2003 - \$42,500) (note 7)	36,800	47,500
	<u>\$ 157,777,597</u>	<u>\$ 138,699,570</u>

Liabilities and Unitholders' Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 109,286	\$ 150,960
Distributions payable to Fund unitholders	-	699,496
Distributions payable to Boston Pizza International Inc.	2,981,217	4,097,049
	<u>3,090,503</u>	<u>4,947,505</u>
Term loan (note 7)	5,000,000	5,000,000
Non-controlling interest (note 6)	67,754,026	54,368,641
Unitholders' equity (note 2(c))	81,933,068	74,383,424
	<u>\$ 157,777,597</u>	<u>\$ 138,699,570</u>

Contingency (note 8)

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND

Consolidated Statement of Earnings

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Franchise revenues reported by Boston Pizza Outlets included in Royalty Pool	\$ 87,692,452	\$ 76,466,700	\$ 247,351,802	\$ 213,496,413
Revenue:				
Royalty income	\$ 3,507,698	\$ 3,058,668	\$ 9,894,072	\$ 8,539,857
Interest income	451,821	450,796	1,355,061	1,351,702
	3,959,519	3,509,464	11,249,133	9,891,559
Expenses:				
General and administrative	113,556	121,873	327,782	422,125
Interest	57,465	68,904	176,027	205,719
Amortization of deferred financing charges	8,200	7,500	23,200	22,500
	179,221	198,277	527,009	650,344
Earnings before non-controlling interest	3,780,298	3,311,187	10,722,124	9,241,215
Non-controlling interest (note 6)	1,160,382	996,550	3,478,022	3,133,949
Net earnings	2,619,916	2,314,637	7,244,102	6,107,266
Weighted average units outstanding	8,728,674	8,010,522	8,564,724	7,798,015
Basic and diluted earnings per Fund unit	\$ 0.30	\$ 0.29	\$ 0.85	\$ 0.78

Consolidated Statement of Unitholders' Equity

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Balance, beginning of period	\$ 81,800,821	\$ 71,076,401	\$ 74,383,424	\$ 70,499,759
Exchange of class A partnership (non-controlling interest) units for Fund units	-	3,780,520	6,606,220	3,780,520
Net earnings	2,619,916	2,314,637	7,244,102	6,107,266
Distributions declared	(2,487,669)	(2,057,444)	(6,300,678)	(5,273,431)
Balance, end of period	\$ 81,933,068	\$ 75,114,114	\$ 81,933,068	\$ 75,114,114

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND

Consolidated Statement of Cash Flows

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Cash provided by (used in):				
Operations:				
Net earnings	\$ 2,619,916	\$ 2,314,637	\$ 7,244,102	\$ 6,107,266
Items not involving cash:				
Amortization of deferred charges	8,200	7,500	23,200	22,500
Non-controlling interest	1,160,382	996,550	3,478,022	3,133,949
Change in non-cash operating working capital (note 9(a))	(16,159)	(70,275)	(178,632)	(246,940)
	3,772,339	3,248,412	10,566,692	9,016,775
Financing:				
Loan receivable from Boston Pizza International Inc.	(1,124,524)	(992,940)	(2,981,217)	(2,163,289)
Distributions paid to unitholders	(2,487,669)	(2,057,444)	(7,000,174)	(5,914,008)
Distributions paid to non-controlling interest unitholders	-	-	(309,462)	(946,334)
Deferred financing charges	(12,500)	-	(12,500)	-
	(3,624,693)	(3,050,384)	(10,303,353)	(9,023,631)
Increase (decrease) in cash	147,646	198,028	263,339	(6,856)
Cash, beginning of period	389,583	40,386	273,890	245,270
Cash, end of period	\$ 537,229	\$ 238,414	\$ 537,229	\$ 238,414

See note 9(b) for supplementary cash flow information.

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND

Notes to the Consolidated Financial Statements

(Unaudited)

Three and nine month period ended September 30, 2004 and 2003

1. Basis of presentation:

These interim consolidated financial statements have been prepared using Canadian generally accepted accounting principles. The interim financial statements include all adjustments consisting solely of normal recurring adjustments, which in management's opinion, are necessary for a fair presentation of the financial results of the interim period presented.

The disclosures in these statements do not include all the disclosure requirements of Canadian generally accepted accounting principles for annual financial statements. These statements should be read in conjunction with the significant accounting policies and other information in the Fund's most recent annual financial statements. These statements follow the same accounting policies and methods of their application as the most recent annual financial statements, except as described in the following paragraph.

Effective January 1, 2004, the Fund prospectively adopted new recommendations of the Canadian Institute of Chartered Accountants on what constitutes Canadian generally accepted accounting principles and its sources. As a result of this change, Class B Partnership units held by Boston Pizza International Inc. ("BPI") which are entitled to receive full distributions from the Partnership and are exchangeable for Fund units are recorded at their fair value at the date of determination of the respective Additional Entitlement. The increase in the value of these Class B Partnership units has been accounted for as an additional cost of the purchase of additional royalties from new Boston Pizza restaurants included in the Royalty Pool and accordingly has been reflected as an increase in the value of intangible assets. The effect of this change on the current period's financial statements is to increase the value of intangible assets and non-controlling interest by \$19,494,800 (notes 5 and 6). There is no impact to net earnings as a result of this change.

2. Operations:

(a) On January 1, 2004, 15 (2003 - 8) new Boston Pizza restaurants opened during the period from November 2, 2002 to November 1, 2003 were added to the Royalty Pool. The royalty revenue of these 15 new restaurants has been estimated at \$1,017,716. The total number of restaurants in the Royalty Pool has increased to 177. The yield of the Fund units was determined to be 9.25% calculated using a weighted average unit price of \$11.03. Weighted average unit price is calculated based on the market price of the units traded on the TSX Stock Exchange during the period of twenty consecutive days ending on the fifth trading day before January 1, 2004. As a result of the contribution of the additional franchise sales to the Royalty Pool, and assuming 100% of the Additional Entitlement, BPI's Additional Entitlement is equivalent to 922,932 (2003 - 560,341) Fund units. BPI will also receive a proportionate increase in monthly distributions from the Fund. Of the Additional Entitlement, 20% (2004 - 184,587 units; 2003 - 112,068 units), remain unissued and are not eligible for conversion to Fund units until January 1, 2005 (2003 units - January 1, 2004) based on the actual performance of the new stores.

BOSTON PIZZA ROYALTIES INCOME FUND

Notes to the Consolidated Financial Statements

(Unaudited)

Three and nine month period ended September 30, 2004 and 2003

2. Operations (continued):

- (b) On January 1, 2004, adjustments to royalty payments and Additional Entitlement were made based on the actual performance of eight restaurants added to the Royalty Pool on January 1, 2003. Based on these adjustments, BPI received the remainder of its Additional Entitlement, 87,432 Fund units. BPI also repaid an amount of \$25,129 for monthly distributions to the Fund.
- (c) On March 8, 2004, BPI exchanged 660,622 Class A units for an equal amount of Fund units. BPI then sold these Fund units to the public. As of June 30, 2004, there were 8,728,674 Fund units issued and BPI had a 20% indirect interest in the Fund.

BPI has committed to maintain a minimum of 20% indirect interest in the Fund until there are 275 restaurants in the Royalty Pool.

3. Due from Boston Pizza International Inc.:

	September 30, 2004	December 31, 2003
Royalty fee receivable	\$ 1,144,044	\$ 1,036,755
Interest on note receivable	150,000	150,000
	\$ 1,294,044	\$ 1,186,755

4. Distributable cash:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Earnings for the period	\$ 2,619,916	\$ 2,314,637	\$ 7,244,102	\$ 6,107,266
Amortization of deferred financing charges	8,200	7,500	23,200	22,500
Non-controlling interest	1,160,382	996,550	3,478,022	3,133,949
	3,788,498	3,318,687	10,745,324	9,263,715
Distributable cash required for non-controlling interest	1,162,024	998,807	3,482,662	3,141,579
Distributable cash available for Fund units	\$ 2,626,474	\$ 2,319,880	\$ 7,262,662	\$ 6,122,136

Distributable cash is not an earnings measure recognized by generally accepted accounting principles ("GAAP") and therefore may not be comparable to similar measures presented by other issuers.

BOSTON PIZZA ROYALTIES INCOME FUND

Notes to the Consolidated Financial Statements

(Unaudited)

Three and nine month period ended September 30, 2004 and 2003

5. Intangible assets:

On July 17, 2002, the Fund acquired the BP Rights used in the operation of the Boston Pizza restaurants in Canada for \$109,348,900. Concurrent with the acquisition of the BP Rights, the Fund granted BPI a license to use the BP Rights for a term of 99 years for which BPI pays the Fund a royalty of 4% of the franchise revenues as reported by BPI for those restaurants in the Royalty Pool, as defined in the License and Royalty Agreement.

In accordance with the terms of the Partnership agreement, the Fund provided BPI an Additional Entitlement to receive distributions on 922,932 (2003 - 560,341) Class B Partnership units in exchange for the addition of royalties from new Boston Pizza restaurants included in the Royalty Pool. The Fund has adopted a policy of accounting for the entitlement of the Class B Partnership units based on the fair value of these Partnership units at the date of determination of the entitlement which results in an increase in intangible assets and non-controlling interest (notes 1 and 6).

Initial consideration	\$ 109,348,900
2002 increase to the Royalty Pool	3,129,074
2003 increase to the Royalty Pool	5,569,790
2004 increase to the Royalty Pool	10,795,936
	\$ 128,843,700

6. Non-controlling interest:

Non-controlling interest relates to BPI's interest in the Fund as follows:

	September 30, 2004	December 31, 2003
Boston Pizza Royalties Limited Partnership:		
566,616 (December 2003 - 1,227,238) Class A units of the Partnership	\$ 5,666,160	\$ 12,272,380
100,000,000 Class B units of the Partnership	37,494,800	18,000,000
2,400,000 Class C units of the Partnership	24,000,000	24,000,000
	67,160,960	54,272,380
Accumulated non-controlling interest (BPI) in earnings of the Partnership	9,393,979	5,915,957
Accumulated distributions paid and payable to Partnership unitholders (BPI)	(8,800,913)	(5,819,696)
	\$ 67,754,026	\$ 54,368,641

As described in notes 1 and 5, non-controlling interest increased by \$19,494,800 due to Additional Entitlement on Class B Partnership units.

BOSTON PIZZA ROYALTIES INCOME FUND

Notes to the Consolidated Financial Statements

(Unaudited)

Three and nine month period ended September 30, 2004 and 2003

7. Term loan:

On July 5, 2004, the \$5,000,000 term loan was renewed with a new maturity date of July 5, 2007. A fee of \$12,500 was paid on renewal and is being amortized over 3 years.

8. Contingency:

BPI and the Fund are involved in trademark litigation with entities affiliated with McDonald's Restaurant of Canada (the "McDonalds' Group"), opposing the registration by the McDonald's Group in Canada of the Boston Market trademark. Management of BPI believes that there is a likelihood that the trademark will not be registered. Additionally, BPI and the Fund have commenced an action against the McDonald's Group to prevent them from infringing BPI's and the Fund's respective interests in the trademarks by operating Boston Market in Canada. The McDonald's Group has filed a counterclaim and a separate action challenging the validity of the registered trademark "Boston Pizza" and related trademarks under the *Trade-Marks Act* (Canada). Management does not believe that this action will succeed. However, in the event that the challenge to the Boston Pizza trademarks is successful, the Fund would lose the benefits of registration of its trademarks under the *Trade-Marks Act* (Canada), which may mean losing the ability to prevent others from using the registered trademarks for the goods and services for which they are registered and to prevent others from using similar or confusing trademarks or names. However, the loss of the registration under the *Trade-Marks Act* (Canada), would not prevent the Fund from continuing to license and use the "Boston Pizza" and related trademarks in the existing operations and geographic territories where they are presently used and from taking other measures to protect their rights in respect of, and their ability to use, the "Boston Pizza" and related trademarks, in new areas where BPI and its sub-licensees do not presently operate Boston Pizza restaurants.

9. Supplementary cash flow information:

(a) Change in non-cash working capital:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Accounts receivable	\$ 50,694	\$ 29,318	\$ (107,289)	\$ 22,990
Prepaid expenses	(69,242)	(56,312)	(29,669)	(27,228)
Accounts payable and accrued liabilities	2,389	(43,281)	(41,674)	(242,702)
	\$ (16,159)	\$ (70,275)	\$ (178,632)	\$ (246,940)

BOSTON PIZZA ROYALTIES INCOME FUND

Notes to the Consolidated Financial Statements

(Unaudited)

Three and nine month period ended September 30, 2004 and 2003

9. Supplementary cash flow information (continued):

(b) Supplementary information:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Interest received	\$ 451,821	\$ 450,796	\$ 1,355,061	\$ 1,351,702
Interest paid	56,712	71,918	179,075	185,081
Non-cash financing and investing activities:				
Distributions payable to non-controlling interest	1,124,524	992,940	2,981,217	2,783,816
Settlement of loan receivable from BPI against distributions payable to BPI	-	-	3,787,587	-
Exchange of class A partnership (non-controlling interest units) for Fund units	-	3,780,520	6,606,220	3,780,520
Increase in intangible assets and non-controlling interest (BPI) on addition of new restaurants to royalty pool	-	-	19,494,800	-

10. Comparative figures:

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

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

FOR FURTHER INFORMATION PLEASE CONTACT:

Robert Groom
 Director, Investor Relations
 Tel: 604-270-1108
 E-mail: investorrelations@bostonpizza.com
www.bpincomefund.com