



For Immediate Release

The Toronto Stock Exchange: BPF.UN

BOSTON PIZZA ROYALTIES INCOME FUND & BOSTON PIZZA INTERNATIONAL INC.
ANNOUNCE SECOND QUARTER 2003 RESULTS

***Boston Pizza Royalties Income Fund Posts Strong
Second Quarter Same Store Sales Growth of 3.4%***

VANCOUVER, BC, (August 19, 2003) - Boston Pizza Royalties Income Fund (the "Fund") and Boston Pizza International Inc. ("BPI") each reported today second quarter financial results for the period of April 1, 2003 to June 30, 2003 (the "Period"). A copy of the combined 2003 first quarter report is available at www.sedar.com and www.bpincomefund.com.

We are pleased to report that Boston Pizza continued to grow during the second quarter of 2003, posting an 11.7% growth in Franchise Sales over the same period in 2002. This is a result of the combination of new store openings and same store sales growth ("SSSG"). SSSG for the Period was 3.4% and 3.1% year-to-date. These positive results are indicative of the kind of success Boston Pizza can achieve even in a challenging environment. Boston Pizza performed well in the first six months of 2003, despite the challenges facing the foodservice industry.

"It has been just over one year since the Fund's inception, we have delivered both the monthly distributions set out in the initial public offering and we raised monthly distributions beginning in June 2003," said Mike Cordoba, President and Chief Operating Officer for BPI and a Director of Boston Pizza GP Inc. "Boston Pizza is delivering industry leading results during a difficult time for the foodservice industry. Our positive results are a testament to the strength of the Boston Pizza brand. Going forward we will build on this success by continuing to focus on the organization's "Three Pillars" strategy - franchisee profitability, brand enhancement, and improving the customer experience."

For this Period, the Fund received royalty income of \$2,851,257 from BPI and distributions of \$0.25 per unit were declared. The Fund met all distribution targets and increased monthly distributions in June from \$0.0833 per unit to \$0.085 per unit. The new monthly distribution translates into an annualized distribution of \$1.02 per unit.

Since inception on July 17, 2002, the Fund has generated basic earnings of \$0.96 per Fund unit on royalty income of \$10,449,308 from BPI and declared distributions of \$0.88 cents per Fund unit. June's distribution of \$0.085 per Fund unit was declared and paid subsequent to June 30, 2003.

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 162 Boston Pizza restaurants in Canada as at November 1, 2002.

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.

	Three month period ended June 30, 2003	Six month period ended June 30, 2003
Number of restaurants in Royalty Pool	162	162
Franchise Revenues reported by restaurants in Royalty Pool	\$ 71,281,457	\$ 137,029,713
Royalty & Interest Income	\$ 3,301,786	\$ 6,382,095
Earnings before non-controlling interest	\$ 3,073,014	\$ 5,930,028
Non-controlling interest ¹	\$ 1,066,579	\$ 2,137,399
Net earnings	\$ 2,006,435	\$ 3,792,629
Earnings per Fund unit	\$ 0.26	\$ 0.49
Distributions declared per Fund unit	\$ 0.25	\$ 0.42
Same Store Sales Growth	3.4%	3.1%
Number of restaurants opened during period	2	5

Notes:

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

Outlook

Boston Pizza is well positioned for continued success in the remainder of 2003. BPI estimates that it will open an additional 10 restaurants in the remaining part of 2003, bringing the total estimated new Boston Pizza restaurants opened across Canada in 2003 to 15. BPI management further believes that the organization can continue to deliver on the most important metric to Unitholders, namely SSSG. Through strong television and radio advertising, and national and local promotions, BPI management believes that the organization can deliver industry-leading SSSG. As part of this SSSG, Boston Pizza will continue its unique renovation program that requires each location to renovate every seven years. For the remainder of 2003, an additional 10 renovations are planned, bringing the estimated total number of store renovations conducted in 2003 to 20. Historically SSSG for renovated locations have increased between 10-15% post renovation.

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

	June 30, 2003 (Unaudited)	December 31, 2002 (Audited)
Assets		
Current assets:		
Cash	\$ 40,386	\$ 245,270
Accounts receivable	-	12,840
Loan receivable from Boston Pizza International Inc. (note 5)	1,790,876	620,527
Due from Boston Pizza International Inc. (note 3)	1,181,668	1,162,500
Prepaid expenses	13,921	43,005
	3,026,851	2,084,142
Note receivable from Boston Pizza International Inc.	24,000,000	24,000,000
Intangible assets	109,348,900	109,348,900
Deferred financing charges, net of accumulated amortization of \$27,500 (December 31, 2002 - \$12,500)	62,500	77,500
	\$ 136,438,251	\$ 135,510,542
Liabilities and Unitholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 187,094	\$ 386,515
Distributions payable to fund unitholders	-	640,577
Distributions payable to Boston Pizza International Inc. (note 5)	1,790,876	930,791
	1,977,970	1,957,883
Term loan	5,000,000	5,000,000
Non-controlling interest (note 5)	58,383,880	58,052,900
Unitholders' equity	71,076,401	70,499,759
	\$ 136,438,251	\$ 135,510,542

Contingency (note 6)

Subsequent event (note 8)

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND
Consolidated Statement of Earnings (Unaudited)

	Three month period ended June 30, 2003	Six month period ended June 30, 2003
Franchise revenues reported by Boston Pizza Outlets included in royalty pool	\$ 71,281,457	\$ 137,029,713
Revenue:		
Royalty income	\$ 2,851,257	\$ 5,481,189
Interest income	450,529	900,906
	3,301,786	6,382,095
Expenses:		
General and administrative	150,108	300,252
Interest	71,164	136,815
Amortization of deferred financing charges	7,500	15,000
	228,772	452,067
Earnings before non-controlling interest	3,073,014	5,930,028
Non-controlling interest (note 5)	1,066,579	2,137,399
Net earnings	\$ 2,006,435	\$ 3,792,629
Basic and diluted earnings per fund unit (7,690,000 units)	\$ 0.26	\$ 0.49

Consolidated Statement of Unitholders' Equity
(Unaudited)

	Three month period ended June 30, 2003	Six month period ended June 30, 2003
Balance, beginning of period	\$ 71,004,798	\$ 70,499,759
Net earnings	2,006,435	3,792,629
Distributions declared	(1,934,832)	(3,215,987)
Balance, end of period	\$ 71,076,401	\$ 71,076,401

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND
Consolidated Statement of Cash Flows (Unaudited)

	Three month period ended June 30, 2003	Six month period ended June 30, 2003
Cash provided by (used in):		
Operations:		
Net earnings	\$ 2,006,435	\$ 3,792,629
Items not involving cash:		
Amortization of deferred charges	7,500	15,000
Non-controlling interest	1,066,579	2,137,399
Change in non-cash operating working capital (note 7(a))	(59,823)	(176,665)
	3,020,691	5,768,363
Financing:		
Loan receivable from Boston Pizza International Inc.	(1,076,996)	(1,170,349)
Distributions paid to Unitholders	(1,934,832)	(3,856,564)
Distributions paid to non-controlling interest Unitholders	(15,543)	(946,334)
	(3,027,371)	(5,973,247)
Decrease in cash	(6,680)	(204,884)
Cash, beginning of period	47,066	245,270
Cash, end of period	\$ 40,386	\$ 40,386

See note 7(b) for supplementary cash flow information.

See accompanying notes to consolidated financial statements.

BOSTON PIZZA ROYALTIES INCOME FUND
Notes to Consolidated Financial Statements

Three month period ended June 30, 2003 (unaudited)
Six month period ended June 30, 2003 (unaudited)

1. Basis of presentation:

These interim consolidated financial statements have been prepared using 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 conform in all aspects to the requirements of generally accepted accounting principles for annual financial statements. These statements follow the same accounting policies and methods of their application as the most recent 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.

There is no comparative information for the statements of earnings and cash flows since the Fund was established on July 17, 2002.

2. Operations:

On January 1, 2003, eight new Boston Pizza restaurants opened during the period from May 1, 2002 to November 1, 2002 were added to the Royalty Pool of the Fund. As a result of the additional sales created by these new stores, BPI received additional entitlement equivalent to 448,273 Fund Units, or 4.46% of the issued and outstanding Fund Units on a fully diluted basis. BPI has also received a proportionate increase in monthly distributions from the Fund. In June 2003, the Fund issued an additional entitlement of 22,859 units and paid an amount of \$15,543 to BPI. This additional distribution and entitlement was for adjustments to royalty payments of 12 restaurants included in the Royalty Pool that were open for less than twelve months at April 30, 2002. Including the additional Fund units described above, as of June 30, 2003 BPI held securities convertible into 2,395,065 Fund Units, representing 23.75% of the issued and outstanding Fund Units on a fully diluted basis. BPI has agreed to maintain at least a 20% ownership, direct or indirect, in the Fund until such time as there are 275 restaurants in the Royalty Pool.

3. Due from Boston Pizza International Inc.:

	June 30, 2003	December 31, 2002
	(Unaudited)	(Audited)
Royalty fee receivable	\$ 1,031,668	\$ 1,012,500
Interest on note receivable	150,000	150,000
	\$ 1,181,668	\$ 1,162,500

BOSTON PIZZA ROYALTIES INCOME FUND
Notes to Consolidated Financial Statements

Three month period ended June 30, 2003 (unaudited)
Six month period ended June 30, 2003 (unaudited)

4. Distributable cash:

	Three month period ended June 30, 2003 (Unaudited)	Six month period ended June 30, 2003 (Unaudited)
Earnings for the period	\$ 2,006,435	\$ 3,792,629
Amortization of deferred financing charges	7,500	15,000
Non-controlling interest	1,066,579	2,137,399
	3,080,514	5,945,028
Distributable cash required for non-controlling interest	1,069,182	2,142,805
Distributable cash available for Fund units	\$ 2,011,332	\$ 3,802,223
Distributable cash per Fund unit (7,690,000 units)	\$ 0.26	\$ 0.49

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. Basic and diluted distributable cash per Fund Unit is computed on a basis consistent with that described by GAAP for computing earnings per Fund Unit.

BOSTON PIZZA ROYALTIES INCOME FUND
Notes to Consolidated Financial Statements

Three month period ended June 30, 2003 (unaudited)
Six month period ended June 30, 2003 (unaudited)

5. Non-controlling interest:

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

	June 30, 2003 (Unaudited)
Class A Boston Pizza Royalties Limited Partnership units	\$ 16,052,900
Class B Boston Pizza Royalties Limited Partnership units	18,000,000
Class C Boston Pizza Royalties Limited Partnership units	24,000,000
	58,052,900
Non-controlling interest in earnings of the Partnership	2,137,399
Distributions owing to Partnership Unitholders included in distributions payable	(1,790,876)
Distributions paid to Partnership Unitholders (note 2)	(15,543)
	\$ 58,383,880

BPI has exercised its right to receive its entitlement to monthly cash distributions from the Partnership by way of a loan. The loan receivable from BPI will be settled and the distributions payable to BPI will be discharged on or before January 31, 2004.

6. Contingency:

Boston Pizza International Inc. ("BPI") and the Fund are involved in trademark litigation with entities affiliated with McDonald's Restaurant of Canada (the "McDonald's 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 Trademarks Act (Canada).

BOSTON PIZZA ROYALTIES INCOME FUND
Notes to Consolidated Financial Statements

Three month period ended June 30, 2003 (unaudited)
Six month period ended June 30, 2003 (unaudited)

7. Supplementary cash flow information:

	Three month period ended June 30, 2003	Six month period ended June 30, 2003
	(Unaudited)	(Unaudited)
(a) Change in non-cash working capital:		
Accounts receivable	\$ (23,645)	\$ (6,328)
Prepaid expenses	17,889	29,084
Accounts payable and accrued liabilities	(54,067)	(199,421)
	\$ (59,823)	\$ (176,665)
(b) Supplementary information:		
Interest received	\$ 450,529	\$ 900,906
Interest paid	70,753	113,163
Non-cash financing and investing activities:		
Distributions payable to Unitholders	-	-
Distributions payable to non-controlling interest	\$ 1,076,996	\$ 1,790,876

8. Subsequent event:

- (a) On July 8, 2003, the Fund announced a distribution of \$0.0850 per unit for the period June 1, 2003 to June 30, 2003, payable on July 31, 2003.
- (b) On July 15, 2003, Boston Pizza International Inc. ("BPI") exchanged 378,052 class A partnership units for an equal amount of Fund units. Following this exchange, BPI sold these units of the Fund at \$9.95 per unit to the public. BPI now holds securities convertible into 2,017,013 units of the Fund which equates to 20% of the fully diluted units of the Fund.

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

FOR FURTHER INFORMATION PLEASE CONTACT:

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