BOYD GROUP INCOME FUND

INTERIM REPORT TO UNITHOLDERS

Third Quarter and Nine Months Ended September 30, 2012

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To Our Unitholders,

We are pleased to report another good quarter on the back of continued execution of our growth strategy. We completed the acquisition of Pearl Auto Body (with six locations in Colorado) and opened four new locations during the quarter. Subsequent to the quarter, we opened one more location, bringing the total additional locations to 28 since the end of 2011, and a total count of 194 locations across North America. In addition, we have successfully completed the rebranding of the True2Form, Cars, and Master acquisitions. We also completed the standardization of our management information system across all U.S. repair centre locations.

We continue to believe in the strength of our operations and the opportunities in our industry. As such, we are pleased to announce a 4.0% increase in our monthly distributions to unitholders, from $0.0375 to $0.039 per unit, or an annualized distribution of $0.468 per unit, beginning with our November 2012 distribution. This reflects our continued confidence in our business and our commitment to being a growth company with an attractive payout.

Our strategy has helped us record significant growth in sales and adjusted EBITDA. For the quarter, sales increased by 12.1% to $109.1 million, from $97.3 million in the prior year. The increase in sales was due to $12.7 million in sales from acquisitions and new locations added since the third quarter of last year (eight Master locations, six Pearl locations, and 18 other new single locations) and $1.2 million from favourable currency translation of U.S.-generated sales, offset by a $0.8 million same-store sales decline and lost sales from the closure of four underperforming facilities. Market conditions, driven by mild and dry weather conditions, led to reduced work-in-process and pent-up market demand that resulted in the modest overall same-store sales decline during the quarter.

Adjusted earnings before interest, income taxes, depreciation and amortization, ("Adjusted EBITDA")[1] for the third quarter was $7.5 million, or 6.8% of sales, compared with Adjusted EBITDA of $6.4 million, or 6.6% of sales, in the prior year. The 17.1% increase in Adjusted EBITDA was primarily due to $0.2 million contribution from the acquisition of Master, $0.3 from Pearl, and $0.1 million from other new locations. This was further increased by $0.6 million from improved gross margin percentage and lower operating expense percentages on same-store locations, but offset by $0.1 million from foreign currency losses.

Net earnings were $1.5 million, or $0.120 per diluted unit, a decrease from $6.5 million, or $0.220 per diluted unit, for the prior year, primarily due to fair value adjustments for exchangeable shares and unit options. Adjusted net earnings[1] increased to $3.3 million, or 3.0% of sales, compared with adjusted earnings of $2.7 million, or 2.8% of sales, for the same period in 2011. The increase in adjusted net earnings is due to the contribution of new acquisitions and new location growth as well as improved gross margin percentage and lower operating expense percentages on same-store locations.

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[1] *EBITDA, Adjusted EBITDA, distributable cash, adjusted distributable cash and adjusted net earnings are not recognized measures under International Financial Reporting Standards ("IFRS"). Management believes that in addition to revenue, net earnings and cash flows, the supplemental measures of distributable cash, adjusted distributable cash, adjusted net earnings, EBITDA and Adjusted EBITDA are useful as they provide investors with an indication of earnings from operations and cash available for distribution, both before and after debt management, productive capacity maintenance and non-recurring and other adjustments. Investors should be cautioned, however, that EBITDA, Adjusted EBITDA, distributable cash, adjusted distributable cash and adjusted net earnings should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of the Fund's performance. Boyd's method of calculating these measures may differ from other public issuers and, accordingly, may not be comparable to similar measures used by other issuers. For a detailed explanation of how the Fund's non-GAAP measures are calculated, please refer to the Fund's MD&A filing for the three and nine-month periods ended September 30, 2012*.

The Fund generated adjusted distributable cash[1] of $1.9 million and declared distributions and dividends of $1.5 million, resulting in a payout ratio based on adjusted distributable cash of 75.9% for the quarter. This compares with adjusted distributable cash of $5.4 million and a payout ratio of 22.8% a year ago. The decrease in adjusted distributable cash was largely due to increases in the use of working capital, increased cash taxes, and higher maintenance capital expenditures. Year to date, our payout ratio stands at 59.1%.

With respect to our balance sheet at September 30, 2012, the Fund held total debt, net of cash, of $32.9 million, compared with $16.9 million at December 31, 2011 and $19.2 million at September 30, 2011. The increase is due to new debt issued and cash used to fund single-location growth and multi-location acquisitions over the past year. We now have a cash position of $13.9 million, compared with $18.4 million at December 31, 2011.

As we get closer to the end of the year, we reiterate the growth strategy we stated three quarters ago. Our objective is to achieve and maintain market leadership in the North American collision repair industry by growing our business through a combination of new start-up or single-location acquisitions, the opportunistic acquisition of multi-location collision operators, and same-store sales growth. We defined a goal of 6%-10% growth through single-location additions in 2012 and for the foreseeable future, and year-to-date, we have achieved that target as we have already added 14 new locations. We have identified, acquired, and successfully integrated two multi-collision operators this year, and continue to be alert to opportunities for accelerated growth through the acquisition of additional attractive multi-location collision repair businesses. We will continue to leverage our brand, geographic footprint, and operating efficiencies to increase same-store sales despite uncontrollable weather and market forces. We have completed the standardization of our management information systems across all U.S. repair centre locations, and we expect this to improve our operating performance over time.

We continue to be positive that long-term market conditions will remain favourable to grow our business. Our commitment to being a growth company with an attractive payout remains strong, as demonstrated by the growth in our distributions over the last three years, while managing our financial position to ensure the ability to support our stated growth strategy. We believe that we are favourably positioned to benefit from industry consolidation and economies of scale. We have an exceptional management team, systems, experience, and strong balance sheet to continue to successfully grow our business and continue to drive value for our unitholders going forward.

On behalf of the Trustees of the Boyd Group Income Fund and Boyd Group employees, thank you for your continued support.

Sincerely,

(signed)

Brock Bulbuck
President & Chief Executive Officer

Management's Discussion & Analysis

OVERVIEW

Boyd Group Income Fund (the "Fund"), through its operating company, The Boyd Group Inc. and its subsidiaries ("Boyd" or the "Company"), is the largest multi-site operator of automotive collision repair service centres in North America, with 194 locations in the four western Canadian provinces and fourteen U.S. states. Boyd carries on business in Canada under the trade name "Boyd Autobody & Glass" and in the U.S., Boyd operates under the "Gerber Collision & Glass" and "Pearl Auto Body" names. The Company operates its autoglass repair and replacement network business with approximately 3,000 affiliated service providers throughout the United States under the "Gerber National Glass Services" name. The following is a geographic breakdown of the collision repair locations by trade name.

BOYD AUTOBODY & GLASS — 39 centers

- Manitoba (14)
- Alberta (12)
- British Columbia (11)
- Saskatchewan (2)

Gerber Collision & Glass — 149 centers

- Arizona (12)
- Illinois (36)
- Georgia (13)
- Washington (13)
- Indiana (9)
- Colorado (6)
- Nevada (3)
- Oklahoma (3)
- Kansas (1)
- Florida (12)
- North Carolina (19)
- Ohio (9)
- Maryland (8)
- Pennsylvania (5)

Pearl Auto Body — 6 centers

- Colorado (6)

Boyd provides collision repair services to insurance companies, individual vehicle owners, as well as fleet and lease customers, with a high percentage of the Company's revenue being derived from insurance-paid collision repair services. In Canada, government-owned insurers operating in Manitoba, Saskatchewan and British Columbia, dominate the insurance-paid collision repair markets in which they operate. In the U.S. and Canadian markets other than Manitoba and Saskatchewan, private insurance carriers compete for consumer policyholders, and in many cases significantly influence the choice of collision repairer through Direct Repair Programs ("DRP's").

The following review of the Fund's operating and financial results for the three and nine months ended September 30, 2012, including material transactions and events up to and including November 13, 2012 should be read in conjunction with the unaudited interim condensed consolidated financial statements, as well as the audited annual consolidated financial statements, management discussion and analysis and Annual Information Form of Boyd Group Income Fund for the year ended December 31, 2011 as filed on SEDAR at www.sedar.com. The Fund's units trade on the Toronto Stock Exchange under the symbol TSX: BYD.UN.

SIGNIFICANT EVENTS

On January 3, 2012, the Company completed the acquisition of Master Collision Repair, Inc., a multi-location collision repair company operating eight locations in the Florida market. The transaction was completed for total consideration of approximately $11.3 million, subject to normal post-closing working capital adjustments, and was funded by a combination of cash, trading partner financing, and a seller take-back note. No new equity was issued related to the transaction.

On February 17, 2012, the Company acquired the business and assets of Advanced Collision Solutions, a single location collision repair business located in Spring Grove, Illinois.

On March 19, 2012, the Company acquired the business and assets of Body Craft Collision Center, a single location collision repair business located in Marysville, Washington.

On March 22, 2012, the Company acquired the business and assets of Leading Edge Collision & Custom Painting, a single location collision repair business located in Orlando, Florida.

On April 1, 2012, the Company ceased operations in its existing Redmond, Washington location and opened a new expanded location also in Redmond, Washington.

On April 27, 2012, the Company acquired the business and assets of Colonial Auto Body, a single location collision repair business located in Orlando, Florida.

On May 4, 2012, the Company acquired the business and assets of K & J Collision and Service Center, a single location collision repair business located in Orlando, Florida.

On May 25, 2012, the Company acquired the business and assets of Auto Collision, a single location collision repair business located in Jessup, Maryland.

On June 15, 2012, the Company acquired the business and assets of Carson Automotive Recycling, a single location collision repair business located in Alpharetta, Georgia.

On June 26, 2012, the Company acquired the business and assets of Burlington Collision, a single location collision repair business located in Burlington, Washington.

On June 26, 2012, the Company acquired the business and assets of Auto Glass Authority, an auto glass replacement business serving the Las Vegas, Nevada market area.

On July 3, 2012, the Company completed the acquisition of Pearl Auto Body, a multi-location collision repair company operating six locations in the Colorado market. The transaction was completed for total consideration of approximately $4.1 million U.S. and was funded by a combination of cash, trading partner financing, and a seller take-back note. No new equity was issued related to the transaction.

On July 12, 2012, the Company ceased operations in its Beltsville, Maryland location.

On July 25, 2012, the Company acquired the business and assets of Turn 2 Collision Center, a single location collision repair business located in Concord, North Carolina.

On August 1, 2012, the Company acquired the business and assets of Robert's Body Shop, a single location collision repair business located in Havelock, North Carolina.

On September 7, 2012, as part of a new start-up, the Company commenced operations in a new collision repair facility in Pearl City, Florida.

On September 14, 2012, the Company acquired the business and assets of Shant Real Estate, a single location collision repair business located in Germantown, Maryland.

On October 1, 2012, the Company acquired the business and assets of Preferred Auto Body, a single location collision repair business located in Portage, Indiana.

On November 13, 2012, the Trustees of the Fund and the Directors of BGHI approved an increase in monthly distributions and dividends to $0.039 per unit commencing November 2012, for unitholders and shareholders of record on November 30, 2012.

OUTLOOK

So far in 2012 Boyd has completed the acquisition of Master Collision, which added eight new locations in Florida and completed the acquisition of Pearl Auto Body, which added six new locations in Colorado. In addition, Boyd added 13 new single locations in various markets since the end of 2011 as well as increasing the capacity of a 14th location. In 2012, and for the foreseeable future, the goal for the addition of new single location repair facilities is 6-10% annually, which will translate into 11-18 new single locations for 2012. Boyd will also continue to remain alert to opportunities for accelerated growth through the acquisition of additional multi-location collision repair businesses.

An important initiative undertaken in 2012 is the standardization of the Company's management information systems and infrastructure. Significant progress has been made on this initiative in the third quarter, with the completion of the standardization of our shop level management systems across our U.S. repair centers. The conversion of a collection of systems being utilized today into a common management information system platform will better position our business for growth and the integration of future acquisitions as well as help to increase our operational and administrative effectiveness.

The extremely warm winter weather conditions seen in late 2011 and the dry conditions experienced so far in 2012 has had some impact on the Company's results. Notwithstanding these conditions, the strength in Boyd's business model and its core business is very encouraging as the Company continues to increase market share and expand throughout the U.S. with key strategic acquisitions and unit growth. The focus for the rest of 2012 and beyond is to continue to grow revenues, both organically and through new locations and acquisitions, while working to enhance margins by increasing efficiency throughout operations. The collision repair industry in both the U.S. and Canada remains highly fragmented and offers attractive opportunities for industry leaders to build value through focused consolidation and economies of scale. Management believes the Company has the management team, systems, experience and the market opportunity as well as a strong balance sheet to continue to successfully grow its business. Boyd continues to remain positive on the long-term dynamics of its industry and the merits of its business model. In this respect, a long-term objective remains to increase distributions over time, while maintaining the financial flexibility to support a growth strategy that will build unitholder value.

BUSINESS ENVIRONMENT & STRATEGY

As at September 30, 2012, the business environment of the Company and strategies adopted by management remain unchanged from those described in the Fund's 2011 annual MD&A.

The following table outlines the new locations that have been added in recent years and their current performance summarized by year of acquisition or start-up.

New location results			
New Location:	Sales (C$) *	EBITDA (C$) *	EBITDA Margin (%)
2006 Tacoma, WA Renton, WA Scottsdale, AZ	$8,521,000	$944,000	11.1%
2007 Glenview, IL Tempe, AZ	$8,631,000	$1,408,000	16.3%
2008 Lacey, WA Las Vegas, NV Calgary, AB	$8,744,000	$947,000	10.8%
2009 Scurfield, MB Mesa, AZ Glendale, AZ Anthem, AZ Tucson, AZ (4 locations) Rome	$13,830,000	$609,000	4.4%
2010 Cartersville, GA Tulsa, OK Evanston, IL Las Vegas, NV Buckhead, GA Roswell, GA Bellingham, WA Yuma, AZ	$13,530,000	$675,000	5.0%
2011 Savannah, GA McDonough, GA Richmond, BC Edmonton North, AB Grove City, OH ** Seattle, WA ** Everett, WA ** Winnipeg, MB** Kent, WA**	$14,547,000	$354,000	2.4%
2012 Spring Grove, IL ** Marysville, WA ** Redmond, WA** Kirkman, FL ** Amelia, FL*** Forsythe, FL** Jessup, MD** Alpharetta, GA** Burlington,WA** Havelock, NC** Concord, NC** Germantown, MD***	$11,231,000	$1,000	0.0%
Combined	$79,034,000	$4,938,000	6.2%
Average per store	$1,796,000	$112,000	6.2%

* Annualized based on last twelve months results
** Annualized based on actual results for 2011/2012 excluding the start-up period
*** Results not included as these locations are still in their start-up period
**** Excludes the results for True2Form, Cars, Master and Pearl as these were strategic acquisitions outside the scope of this growth plan

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Statements made in this interim report, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like “may”, “will”, “anticipate”, “estimate”, “expect”, “intend”, or “continue” or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on such statements, as actual results may differ materially from those expressed or implied in such statements.

The following table outlines forward-looking information included in this MD&A:

Forward-looking Information	Key Assumptions	Most Relevant Risk Factors
The stated objective of adding new locations to grow the business 6% - 10% per year for the foreseeable future	Opportunities continue to be available and are at attractive prices Financing options continue to be available at reasonable rates and on acceptable terms and conditions New and existing customer relationships are expected to provide acceptable levels of revenue opportunities Anticipated operating results would be accretive to overall Company results	Acquisition market conditions change and repair shop owner demographic trends change Credit and refinancing conditions prevent or restrict the ability of the Company to continue growth strategies Changes in market conditions and operating environment Significant declines in the number of insurance claims Integration of new stores is not accomplished as planned Increased competition which prevents achievement of acquisition and revenue goals
The Fund will continue to work to maintain same store sales growth and improve gross margins and EBITDA margins	Continued improvement in economic conditions and employment rates Pricing in the industry remains stable The Company‘s customer and supplier relationships provide it with competitive advantages to increase sales over time Market share growth will more than offset systemic changes in the industry and environment Able to maintain/reduce costs as a percentage of sales	Poor economic conditions Loss of one or more key customers Significant declines in the number of insurance claims Inability of the Company to pass cost increases to customers over time Increased competition which may prevent achievement of revenue goals Changes in market conditions and operating environment Changes in energy costs Changes in weather conditions Inability to effectively manage costs over time
Stated objective to gradually increase distributions over time	Growing profitability of the Company and its subsidiaries The continued and increasing ability of the Company to generate cash available for distribution Balance sheet strength & flexibility is maintained and the distribution level is manageable taking into consideration bank covenants, growth opportunities and maintaining a distribution level that is supportable over time No change in the Fund’s structure	The Fund is dependent upon the operating results of the Company and its ability to pay interest and dividends to the Fund Economic conditions deteriorate Changes in weather conditions Decline in the number of insurance claims Loss of one or more key customers Changes in government regulation

We caution that the foregoing table contains what the Fund believes are the material forward looking statements and is not exhaustive. Therefore when relying on forward-looking statements, investors and others should refer to the "Risk Factors" section of the Fund's Annual Information Form, the "Risks and Uncertainties" and other sections of our Management's Discussion and Analysis and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.

NON-GAAP FINANCIAL MEASURES

EBITDA AND ADJUSTED EBITDA

Earnings before interest, taxes, depreciation and amortization ("EBITDA") is not a calculation defined in International Financial Reporting Standards ("IFRS"). EBITDA should not be considered an alternative to net earnings in measuring the performance of the Fund, nor should it be used as an exclusive measure of cash flow. The Fund reports EBITDA and Adjusted EBITDA because it is a key measure that management uses to evaluate performance of the business and to reward its employees. EBITDA is also a concept utilized in measuring compliance with debt covenants. EBITDA and Adjusted EBITDA are measures commonly reported and widely used by investors and lending institutions as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. While EBITDA is used to assist in evaluating the operating performance and debt servicing ability of the Fund, investors are cautioned that EBITDA and Adjusted EBITDA as reported by the Fund may not be comparable in all instances to EBITDA as reported by other companies.

The CICA's Canadian Performance Reporting Board defined standardized EBITDA to foster comparability of the measure between entities. Standardized EBITDA represents an indication of an entity's capacity to generate income from operations before taking into account management's financing decisions and costs of consuming tangible and intangible capital assets, which vary according to their vintage, technological age and management's estimate of their useful life. Accordingly, Standardized EBITDA comprises sales less operating costs before interest expense, capital asset amortization and impairment charges, and income taxes. Adjusted EBITDA is calculated to exclude items of an unusual nature that do not reflect normal or ongoing operations of the Fund and which should not be considered in a valuation metric or should not be included in assessment of ability to service or incur debt. Included in this category of adjustments are the fair value adjustments to exchangeable shares and the fair value adjustment to unit options. Both of these items will ultimately be settled with units of the Fund and are not expected to have any cash impact on the Fund. Also included as an adjustment to EBITDA are acquisition and transaction costs which do not relate to the current operating performance of the business units but are typically costs incurred to expand operations. From time to time, the Fund may make other adjustments to its Adjusted EBITDA for items that are not expected to recur.

The following is a reconciliation of the Fund's net earnings to EBITDA and Adjusted EBITDA:

Adjusted EBITDA Reconciliation to Earnings (000's)	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2012	2011	**2012**	2011
Net earnings	**$ 1,504**	$ 6,519	**$ 4,705**	$ 5,020
Add:				
Finance cost (net of income)	**731**	588	**1,989**	1,475
Income tax expense	**691**	721	**1,823**	1,747
Depreciation	**2,030**	1,790	**5,685**	4,248
Amortization of other intangible assets	**750**	572	**2,794**	1,329
Standardized EBITDA	**$ 5,706**	$ 10,190	**$ 16,996**	$ 13,819
Add:				
Fair value adjustment to exchangeable shares	**657**	(3,285)	**1,630**	946
Fair value adjustment to unit options	**640**	(676)	**1,547**	361
Acquisition and transaction costs	**219**	151	**712**	1,612
Non-controlling interest put option	**249**	-	**347**	-
Adjusted EBITDA	**$ 7,471**	$ 6,380	**$ 21,232**	$ 16,738

ADJUSTED NET EARNINGS

In addition to EBITDA and Adjusted EBITDA, the Fund believes that certain users of financial statements are interested in understanding net earnings excluding certain fair value adjustments and other infrequent adjustments. This can assist these users in comparing current results to historical results that did not include such items. The following is a reconciliation of the Fund's net earnings to adjusted net earnings:

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
Adjusted Net Earnings Reconciliation to Net Earnings (000's)	**2012**	2011	**2012**	2011
Net earnings	**$ 1,504**	$ 6,519	**$ 4,705**	$ 5,020
Add:				
Fair value adjustment to exchangeable shares	**657**	(3,285)	**1,630**	946
Fair value adjustment to unit options	**640**	(676)	**1,547**	361
Acquisition and transaction costs	**219**	151	**712**	1,612
Non-controlling interest put option	**249**	-	**347**	-
Accelerated amortization of True2Form, Cars and Master brands	**-**	-	**767**	-
Adjusted net earnings	**$ 3,269**	$ 2,709	**$ 9,708**	$ 7,939
Weighted average number of units outstanding	12,536,749	10,986,436	12,533,921	10,854,139
Adjusted net earnings per unit	**$ 0.261**	$ 0.247	**$ 0.775**	$ 0.731
Units and class A shares outstanding	12,927,485	12,927,485	12,927,485	12,927,485
Adjusted net earnings per unit and class A share	**$ 0.253**	$ 0.210	**$ 0.751**	$ 0.614

DISTRIBUTABLE CASH

During the first nine months of 2012, the Fund declared distributions to unitholders and dividends to Boyd Group Holdings Inc.'s ("BGHI") Class A shareholders, in the following amounts:

Record date	Payment date	Distribution per unit	Dividend per share	Distribution amount	Dividend amount
January 31, 2012	February 27, 2012	$ 0.0375	$ 0.0375	$ 469,854	$ 14,926
February 29, 2012	March 28, 2012	0.0375	0.0375	469,918	14,862
March 31, 2012	April 26, 2012	0.0375	0.0375	469,939	14,842
April 30, 2012	May 29, 2012	0.0375	0.0375	469,952	14,827
May 31, 2012	June 27, 2012	0.0375	0.0375	470,036	14,745
June 30, 2012	July 27, 2012	0.0375	0.0375	470,112	14,668
July 31, 2012	August 29, 2012	0.0375	0.0375	470,115	14,666
August 31, 2012	September 26, 2012	0.0375	0.0375	470,128	14,651
September 30, 2012	October 29, 2012	0.0375	0.0375	470,141	14,640
		$ 0.3375	$ 0.3375	$ 4,230,195	$ 132,827

Maintaining Productive Capacity

Productive capacity is defined by Boyd as the maintenance of the Company's facilities, equipment, signage, courtesy cars, systems, brand names and infrastructure. Although most of Boyd's repair facilities are leased, funds are required to ensure facilities are properly repaired and maintained to ensure the Company's physical appearance communicates Boyd's standard of professional service and quality. The Company's need to maintain its facilities and upgrade or replace equipment, signage, systems and courtesy car fleets forms part of the annual cash requirements of the business. The Company manages these expenditures by annually reviewing and determining its capital budget needs and then authorizing major expenditures throughout the year based upon individual business cases. The Company budgets and manages its cash maintenance capital expenditures up to approximately 0.8% of sales.

Although maintenance capital expenditures may remain within budget on an annual basis, the timing of these expenditures often varies significantly from quarter to quarter.

In addition to normal maintenance capital expenditures, the Company rebranded its Cars locations in the final quarter of 2011 and as of the third quarter of 2012 has completed the rebranding its True2Form and Master locations. It also continues to enhance its company-wide technology infrastructure. This technology infrastructure includes computer and telephone hardware, software, management information systems and the methods by which information will be captured, stored and communicated. The Company expected that expenditures in these areas over a period of one to two years would utilize $2.0 - $3.0 million of cash resources in excess of normal budget levels. To date the Company has spent $1.5 million on rebranding and $0.8 million on technology infrastructure.

In many circumstances, large equipment expenditures including automobiles, shop equipment and computers can be financed using either operating or finance leases. Cash spent on maintenance capital expenditures plus the repayment of operating and finance leases, including the interest thereon, form part of the distributable cash calculations.

Non-recurring and Other Adjustments

Non-recurring and other adjustments may include, but are not limited to, post closure environmental liabilities, restructuring costs, acquisition search and transaction costs and repayment of prepaid rebates that are not refinanced. Management is not currently aware of any environmental remediation requirements or significant prepaid rebate repayment requirements. Acquisition costs are added back to distributable cash as they occur.

Debt Management

In addition to finance lease obligations arranged to finance growth and maintenance expenditures on property and equipment, the Company has historically utilized long-term debt to finance the expansion of its business, usually through the acquisition and start-up of collision and glass repair and replacement businesses. Repayments of this debt do not form part of distributable cash calculations. Boyd’s bank facilities include restrictive covenants, which could limit the Fund’s ability to distribute cash. These covenants, based upon current financial results, would not prevent the Fund from paying future distributions at conservative and sustainable levels. These covenants will continue to be monitored in conjunction with any future anticipated distributions.

The following is a standardized and adjusted distributable cash calculation for 2012 and 2011:

Standardized and Adjusted Distributable Cash [1]

	Three Months Ended September 30		Nine Months Ended September 30	
	2012	2011	**2012**	2011
Cash flow from operating activities before changes in non-cash working capital items	**$ 4,905,370**	$ 5,012,876	**$ 14,160,807**	$ 12,219,885
Changes in non-cash working capital items	**(2,191,569)**	728,997	**(4,524,589)**	(1,174,648)
Cash flows from operating activities	**2,713,801**	5,741,873	**9,636,218**	11,045,237
Less adjustment for:				
Sustaining expenditures on plant, software and equipment [2]	**(755,458)**	(443,775)	**(2,379,806)**	(1,046,280)
Standardized distributable cash	**$ 1,958,343**	$ 5,298,098	**$ 7,256,412**	$ 9,998,957
Standardized distributable cash per average unit and Class A common share				
Per average unit and Class A common share	**$ 0.151**	$ 0.454	**$ 0.561**	$ 0.866
Per diluted unit and Class A common share	**$ 0.151**	$ 0.454	**$ 0.561**	$ 0.866
Standardized distributable cash from above	**$ 1,958,343**	$ 5,298,098	**$ 7,256,412**	$ 9,998,957
Add (deduct) adjustments for:				
Collection of rebates [3]	**284,402**	475,047	**1,096,211**	1,183,952
Acquisition searches and transaction costs [4]	**219,121**	150,706	**712,011**	1,611,666
Proceeds of sale of equipment	**32,569**	14,909	**88,781**	63,352
Principal repayments of capital leases [5]	**(578,239)**	(576,694)	**(1,775,344)**	(1,580,518)
Adjusted distributable cash	**$ 1,916,196**	$ 5,362,066	**$ 7,378,071**	$ 11,277,409
Adjusted distributable cash per average unit and Class A common share				
Per average unit and Class A common share	**$ 0.148**	$ 0.459	**$ 0.571**	$ 0.977
Per diluted unit and Class A common share	**$ 0.148**	$ 0.459	**$ 0.571**	$ 0.977
Distributions paid				
Unitholders	**$ 1,410,355**	$ 1,133,713	**$ 4,229,859**	$ 3,344,591
Class A common shareholders	**43,985**	87,173	**133,162**	259,928
Total distributions paid	**$ 1,454,340**	$ 1,220,886	**$ 4,363,021**	$ 3,604,519
Distributions paid				
Per Unit	**$ 0.1125**	$ 0.1050	**$ 0.3375**	$ 0.3100
Per Class A common share	**$ 0.1125**	$ 0.1050	**$ 0.3375**	$ 0.3100
Payout ratio based on standardized distributable cash	**74.3%**	23.0%	**60.1%**	36.0%
Payout ratio based on adjusted distributable cash	**75.9%**	22.8%	**59.1%**	32.0%

(1) Standardized and adjusted distributable cash are not recognized measures and do not have a standardized meaning under International Financial Reporting Standards (IFRS). Management believes that in addition to net earnings, standardized and adjusted distributable cash are useful supplemental measures as they provide investors with an indication of cash available for distribution. Investors should be cautioned however, that standardized and adjusted distributable cash should not be construed as an alternative to net earnings and cash flows determined in accordance with IFRS as an indicator of the Fund’s performance. Boyd’s method of calculating adjusted distributable cash may differ from other companies and income trusts and, accordingly, may not be comparable to similar measures used by other companies.

(2) Includes sustaining expenditures on plant and equipment, information technology hardware and computer software but excludes capital expenditures associated with acquisition and development activities. In addition to the

maintenance capital expenditures paid with cash, during 2012 the Company acquired a further $1,467,000 (2011 - $1,587,000) in capital assets which were financed through finance leases and did not affect cash flows in the current period. During 2012, the Company acquired the land and building related to one of its Oklahoma locations. The acquisition was financed with a conventional mortgage. Only the cash component of the capital expenditure has been included here.

(3) The Company receives prepaid rebates, under its trading partner arrangements, in quarterly installments for a period of six years subsequent to the date of initial receipt.

(4) The Company has added back to distributable cash the costs expensed to perform acquisition searches and to complete transactions.

(5) Repayments of these leases represent additional cash requirements to support the productive capacity of the Company and therefore have been deducted when calculating adjusted distributed cash.

RESULTS OF OPERATIONS

	Three months ended			Nine months ended		
($000's, except per unit figures)	Sep 30, 2012	% change	Sep 30, 2011	Sep 30, 2012	% change	Sep 30, 2011
Total Sales	109,080	12.1%	97,333	319,424	24.5%	256,473
Same Store Sales *(excluding foreign exchange)*	95,193	(0.8%)	95,957	230,558	(0.9%)	232,728
Sales - Canada	17,273	(4.2%)	18,029	53,996	(4.1%)	56,280
Same Store Sales - Canada	16,386	(6.5%)	17,522	50,841	(6.9%)	54,629
Sales - U.S.	91,807	15.8%	79,304	265,428	32.6%	200,194
Same Store Sales - U.S. (*excluding foreign exchange*)	78,807	0.5%	78,435	179,717	0.9%	178,099
Gross Margin %	45.0%	0.7%	44.7%	44.9%	0.0%	44.9%
Operating Expense %	38.1%	(0.5%)	38.3%	38.2%	(0.3%)	38.3%
Adjusted EBITDA	7,471	17.1%	6,380	21,232	26.8%	16,738
Depreciation and Amortization	2,780	17.7%	2,362	8,480	52.1%	5,577
Finance Costs	731	24.3%	588	1,989	34.8%	1,475
Fair Value Adjustments to Exchangeable Shares and Unit Options	1,296	n/a	(3,962)	3,176	n/a	1,307
Income Tax Expense	690	(4.3%)	721	1,822	4.3%	1,747
Net Earnings	1,504	(76.9%)	6,519	4,705	(6.3%)	5,020
Basic Earnings per Unit	0.120	(79.8%)	0.593	0.375	(18.8%)	0.462
Diluted Earnings per Unit	0.120	(45.5%)	0.220	0.375	(18.8%)	0.462
Standardized Distributable Cash	1,958	(63.0%)	5,298	7,256	(27.4%)	9,999
Adjusted Distributable Cash	1,916	(64.3%)	5,362	7,378	(34.6%)	11,277
Distributions Paid	1,454	19.1%	1,221	4,363	21.0%	3,605

[1] EBITDA and Adjusted EBITDA are not recognized measures under International Financial Reporting Standards (IFRS). Management believes that in addition to net earnings, EBITDA and Adjusted EBITDA are useful supplemental measures as they provide investors with an indication of operational performance. Investors should be cautioned, however, that EBITDA and Adjusted EBITDA should not be construed as alternatives to net earnings determined in accordance with IFRS as an indicator of the Fund's performance.

3rd Quarter Comparison – Three months ended September 30, 2012 vs. 2011

Sales

Sales totalled $109.1 million for the three months ended September 30, 2012, an increase of $11.7 million or 12.1% compared to the same period in 2011. The increase in sales was the result of the following:

- During 2012, $12.7 million of sales were generated from 18 new single locations as well as eight Master locations and six Pearl locations.
- Same-store sales excluding foreign exchange decreased $0.8 million or 0.8%, but increased $1.2 million due to the translation of same-store sales at a higher U.S. dollar exchange rate.
- Sales were affected by the closure of four under-performing facilities which decreased sales by $1.4 million.

Same store sales are calculated by including sales for stores that have been in operation for the full comparative period.

Sales by Geographic Region (000's)

Three Months Ended September 30,	2012	2011
Canada	$ 17,273	$ 18,029
United States	91,807	79,304
Total	$ 109,080	$ 97,333
Canada - % of total	15.8%	18.5%
United States - % of total	84.2%	81.5%

Sales in Canada for the three months ended September 30, 2012 totalled $17.3 million, a decrease of $0.8 million or 4.2%. Sales of $0.9 million were generated from three new locations in late 2011 located in Edmonton, Alberta; Richmond, B.C. and Winnipeg, Manitoba. These sales were offset by a sales decrease of $0.5 million from a location closure as well as a same-store sales decrease of 6.5% or $1.1 million primarily due to the continuing dry weather conditions which followed a mild and dry winter.

Sales in the U.S. totalled $91.8 million for the three months ended September 30, 2012, an increase from 2011 of $12.5 million or 15.8% when compared to $79.3 million for the prior year. Sales increases in the U.S. were comprised of:

- $4.2 million of sales were generated from new locations in Everett, Washington; Seattle, Washington; Kent, Washington; Grove City, Ohio; Spring Grove, Illinois; Marysville, Washington; Orlando, Florida; Redmond, Washington; Forsythe, Florida; Jessup, Maryland; Alpharetta, Georgia; Burlington, Washington; Plant City, Florida; Havelock and Concord, North Carolina.
- $4.8 million of sales were generated from eight Master locations and $2.8 million of sales were generated by six Pearl locations.
- Same-store sales increased $0.4 million or 0.5% excluding foreign exchange, and increased $1.2 million due to the translation of same-store sales at a higher U.S. dollar exchange rate.
- Sales were affected by the closure of three under-performing facilities which decreased sales by $0.9 million.

Gross Margin

Gross Margin was $49.1 million or 45.0% of sales for the three months ended September 30, 2012, an increase from $43.5 million or 44.7% of sales for the same period in 2011. Gross margin percentage increased due to improved paint, material and parts margins.

Operating Expenses

Operating Expenses for the three months ended September 30, 2012 increased $4.3 million to $41.6 million from $37.3 million for the same period of 2011 primarily due to the acquisition of Master, Pearl and other new locations during 2011 and 2012.

Operating expenses as a percentage of sales in the third quarter was slightly below the comparative period, decreasing to 38.1% of sales from 38.3% last year.

Adjusted EBITDA

Adjusted EBITDA[1] for the third quarter of 2012 totalled $7.5 million or 6.8% of sales compared to Adjusted EBITDA of $6.4 million or 6.6% of sales in the same period of the prior year. The increase in adjusted EBITDA was the result of $0.2 million of EBITDA contribution from Master, $0.3 million of EBITDA contribution from Pearl and $0.1 million EBITDA contribution from other new locations. Adjusted EBITDA improved a further $0.6 million due to a combination of improved gross margin and lower operating expense percentages on same-store locations during the quarter offset by $0.1 million in foreign currency losses.

Depreciation and Amortization

Depreciation related to plant and equipment totalled $2.0 million or 1.9% of sales for the three months ended September 30, 2012, an increase of $0.2 million when compared to the $1.8 million or 1.8% of sales in the same period of the prior year. The increase is primarily due to the acquisition of Master and Pearl as well as new location growth.

Amortization of intangible assets for the third quarter of 2012 totalled $0.7 million or 0.7% of sales compared to $0.6 million or 0.6% of sales expensed for the same period in the prior year. The increase is primarily the result of the acquisition of Master and Pearl.

Fair Value Adjustment to Exchangeable Shares

Fair Value Adjustment to Exchangeable Shares resulted in an expense related to the increase in the associated liability of $0.7 million for the third quarter of 2012 compared to income of $3.3 million in the same period of the prior year. The exchangeable class A shares of BGHI are exchangeable into units of the Fund. This exchangeable feature results in the shares being presented as financial liabilities of the Fund. The liability represents the value of the Fund attributable to these shareholders. Exchangeable class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The increase or decrease in the liability and the related expense or income is the result of changes in the value of the Fund's unit price.

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[1] EBITDA and Adjusted EBITDA are not recognized measures under International Financial Reporting Standards ("IFRS"). Management believes that in addition to net earnings, EBITDA and Adjusted EBITDA are useful supplemental measures as they provides investors with an indication of operational performance. Investors should be cautioned, however, that EBITDA and Adjusted EBITDA should not be construed as alternatives to net earnings determined in accordance with IFRS as an indicator of the Fund's performance.

Fair Value Adjustment to Unit Options

Fair Value Adjustment to Unit Options was an expense related to an increase in the associated liability of $0.6 million for the third quarter of 2012 compared to income of $0.7 million in the same period of the prior year. Similar to the exchangeable share liability, the unit option liability is impacted by changes in the value of the Fund's unit price. The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period with the recognition of a corresponding liability.

Non-Controlling Put Option Adjustment

In 2011, the Fund entered into an agreement that provides a member of its U.S. management team the opportunity to participate in the future growth of the Fund's U.S. glass business. Within the agreement is a put option held by the non-controlling shareholder that allows the shareholder to put the business back to the Fund according to a valuation formula defined in the agreement. The put option is restricted during the first three years of the agreement but then may be exercised at any time by the non controlling shareholder. The value of the put option is determined by discounting the estimated future payment obligation at each statement of financial position date. The amount of the adjustment of $0.2 million for the third quarter of 2012 is as a result of an increase in the estimated value of the business.

Finance Costs

Finance Costs, which includes dividends declared on exchangeable class A shares of BGHI in the amount of $44 thousand, totalled $0.7 million or 0.7% of sales for the third quarter of 2012 compared to $0.6 million or 0.6% of sales in the same period of the prior year. The increase in interest expense is primarily the result of new debt associated with the acquisition of Master and Pearl.

Income Taxes

Current and Deferred Income Tax Expense was $0.7 million for the third quarter of 2012, compared to $0.7 million for the same period in 2011. In 2012 a larger proportion of the tax expense is current due to the fact the Fund only has a limited amount of restricted losses in the U.S. available to shelter taxable income. As a result, a portion of U.S. earnings is now subject to current taxes.

The Fund has now used all of its unrestricted U.S. operating loss carry-forward amounts, and only has loss carry-forward amounts remaining from acquisitions which are restricted, in that, their utilization is subject to annual maximum allowable limits. As a result, a portion of U.S. earnings are now subject to current taxes. Tax payments of $0.5 million were made during the third quarter of 2012 compared to $nil in 2011.

Net Earnings and Earnings Per Unit

Net Earnings, for the three months ended September 30, 2012 was $1.5 million or 1.4% of sales, compared to $6.5 million or 6.7% of sales last year. Excluding the impact of fair value adjustments for exchangeable shares and unit options, acquisition costs and the put option adjustment, adjusted net earnings would have increased to $3.3 million or 3.0% of sales, compared to adjusted net earnings of $2.7 million or 2.8% of sales for the same period in 2011. This increase is primarily the result of the contribution of new acquisitions and new location growth as well as improved gross margin and lower operating expense percentages on same-store locations.

Basic and Diluted Earnings Per Unit was $0.120 per unit for the three months ended September 30, 2012, a decrease compared to $0.593 basic earnings per unit and $0.220 diluted earnings per unit in the same period in 2011. The reduction to the basic and diluted earnings per unit amounts is primarily attributed to the impacts from fair value adjustments for the class A exchangeable shares and unit options which increased earnings in 2011 and reduced earnings in 2012.

Year-to-date Comparison – Nine months ended September 30, 2012 vs. 2011

Sales

Sales increased $63.0 million or 24.5% to $319.4 million for the nine months ended September 30, 2012 when compared to the same period in 2011. The increase in sales was the result of the following:

- During 2012, $64.2 million of sales were generated from 20 new single locations as well as 27 Cars locations, eight Master locations and six Pearl locations.
- Same-store sales excluding foreign exchange decreased $2.1 million or 0.9%, but increased $4.4 million due to the translation of same-store sales at a higher U.S. dollar exchange rate.
- Sales were affected by the closure of four under-performing facilities which decreased sales by $3.5 million.

Same-store sales are calculated by including sales for stores that have been in operation for the full comparative period.

The following chart provides comparative sales by geographic region:

Sales by Geographic Region (000's)

Nine Months Ended September 30,	2012	2011
Canada	$ 53,996	$ 56,280
United States	265,428	200,194
Total	$ 319,424	$ 256,474
Canada - % of total	16.9%	21.9%
United States - % of total	83.1%	78.1%

Sales in Canada for the nine months ended September 30, 2012 totalled $54.0 million, a decrease of $2.3 million or 4.1%. Sales of $3.2 million were generated from three new locations in Edmonton, Alberta; Richmond, B.C. and Winnipeg, Manitoba. These sales were offset by a sales decrease of $1.7 million from a location closure as well as a same-store sales decrease of 6.9% or $3.8 million primarily due to mild winter weather conditions, followed by continuing dry spring and summer weather conditions.

Sales in the U.S. totalled $265.4 million for the nine months ended September 30, 2012, an increase from 2011 of $65.2 million, or 32.6% when compared to $200.2 million for the prior year. Sales increases in the U.S. were comprised of:

- $10.1 million of sales were generated from new locations in Savannah, Georgia; McDonough, Georgia; Everett, Washington; Seattle, Washington; Kent, Washington; Grove City, Ohio; Spring Grove, Illinois; Marysville, Washington; Orlando, Florida; Redmond, Washington; Forsythe, Florida; Jessup, Maryland; Alpharetta, Georgia; Burlington, Washington; Plant City, Florida; Havelock and Concord, North Carolina.
- $33.0 million of incremental sales were generated from 27 Cars locations over the $17.2 million that was generated in the third quarter of 2011. $15.2 million of sales were generated from eight Master locations and $2.8 million of sales were generated by six Pearl locations.
- Same-store sales increased $1.6 million or 0.9% excluding foreign exchange, and increased $4.4 million due to the translation of same-store sales at a higher U.S. dollar exchange rate.
- Sales were affected by the closure of three under-performing facilities which decreased sales by $1.9 million.

Gross Margin

Gross Margin was $143.4 million or 44.9% of sales for the nine months ended September 30, 2012, an increase from $115.0 million or 44.9% of sales for the same period in 2011. Gross margin dollars increased as a result of higher sales from new locations compared to the prior period. The gross margin percentage was consistent with the prior period. Gross margin percentage on same stores increased and was offset by lower gross margin on acquisitions and start-ups.

Operating Expenses

Operating Expenses for the nine months ended September 30, 2012 increased $23.8 million to $122.1 million from $98.3 million for the same period of 2011 primarily due to the acquisition of Cars, Master, Pearl and other new locations during 2011 and 2012.

Operating expenses as a percentage of sales was consistent with the comparative period decreasing to 38.2% of sales from 38.3% last year.

Adjusted EBITDA

Adjusted EBITDA for the first nine months of 2012 totalled $21.2 million or 6.6% of sales compared to Adjusted EBITDA of $16.7 million or 6.5% of sales in the same period of the prior year. The increase in adjusted EBITDA of $4.5 million was primarily the result of $1.9 million of EBITDA contribution from the acquisition of Cars, $1.2 million of EBITDA contribution from Master, $0.3 million of EBITDA contribution from Pearl and $0.4 million EBITDA contribution from other new locations. Adjusted EBITDA improved a further $0.7 million due to improved gross margin percentage in same store locations during the quarter. EBITDA improved $0.2 million due to the translation of same-store results at a higher U.S. dollar exchange rate offset by a $0.2 million decline due to closed stores.

Depreciation and Amortization

Depreciation and Amortization Expense related to plant and equipment totalled $5.7 million or 1.8% of sales for the nine months ended September 30, 2012 compared to $4.2 million or 1.7% of sales recorded in the same period of the prior year. The increase is primarily due to the acquisitions of Cars, Master and Pearl as well as new location growth.

Amortization of intangible assets for the first nine months of 2012 totalled $2.8 million or 0.9% of sales compared to $1.3 million or 0.5% of sales expensed for the same period in the prior year. The increase is the result of the accelerated amortization of intangibles due to the planned rebranding of the Cars, Master and True2Form locations in 2012 in the amount of $0.8 million as well as the amortization of replaced software and the additional amortization related to the acquisition of Cars and Master.

Fair Value Adjustment to Exchangeable Shares

Fair Value Adjustment to Exchangeable Shares resulted in a non-cash expense related to the increase in the associated liability of $1.6 million for the first nine months of 2012 compared to an increase of $0.9 million in the same period of the prior year. The exchangeable class A shares of BGHI are exchangeable into units of the Fund. This exchangeable feature results in the shares being presented as financial liabilities of the Fund. The liability represents the value of the Fund attributable to these shareholders. Exchangeable class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The increase in the liability and the related expense is the result of an increase in the value of the Fund's unit price.

Fair Value Adjustment to Unit Options

Fair Value Adjustment to Unit Options was a non-cash expense related to an increase in the associated liability of $1.5 million for the first nine months of 2012 compared to $0.4 million in the same period of the prior year. Similar to the exchangeable share liability, the unit option liability is impacted by changes in the value of the Fund's unit price. The cost of cash-settled unit-based transactions is measured at fair value using a black-scholes model and expensed over the vesting period with the recognition of a corresponding liability.

Non-Controlling Put Option Adjustment

In 2011, the Fund entered into an agreement that provides a member of its U.S. management team the opportunity to participate in the future growth of the Fund's U.S. glass business. Within the agreement is a put option held by the non controlling shareholder that allows the shareholder to put the business back to the Fund according to a valuation formula defined in the agreement. The put option is restricted during the first three years of the agreement but then may be exercised at any time by the non controlling shareholder. The value of the put option is determined by discounting the estimated future payment obligation at each statement of financial position date. The amount of the adjustment of $0.3 million for the first nine months of 2012 is as a result of an increase in the estimated value of the business.

Finance Costs

Finance Costs, which under IFRS now includes dividends declared on exchangeable class A shares of BGHI in the amount of $133 thousand, totalled $2.0 million or 0.6% of sales for the first nine months of 2012 compared to $1.5 million or 0.6% of sales in the same period of the prior year. The increase in interest expense is primarily the result of new debt associated with the acquisition of Cars, Master and Pearl.

Income Taxes

Current and Deferred Income Tax Expense of $1.8 million for the first nine months of 2012 increased from $1.7 million for the same period in 2011. In 2012 a larger proportion of the tax expense is current due to the fact the Fund only has a limited amount of restricted losses in the U.S. available to shelter taxable income. As a result, a portion of U.S. earnings is now subject to current taxes.

The Fund has now used all of its unrestricted U.S. operating loss carry-forward amounts, and only has loss carry-forward amounts remaining from acquisitions which are restricted, in that, their utilization is subject to annual maximum allowable limits. As a result, a portion of U.S. earnings are now subject to current taxes. Tax payments of $1.8 million were made during the first nine months of 2012 compared to $0.3 million in 2011.

Net Earnings and Earnings Per Unit

Net Earnings for the nine months ended September 30, 2012 was $4.7 million or 1.5% of sales compared to net earnings of $5.0 million or 2.0% of sales last year. Excluding the impact of fair value adjustments for exchangeable shares and unit options, acquisition costs, put option adjustment as well as the accelerated amortization of True2Form, Cars and Master brands, adjusted net earnings would have increased to $9.7 million or 3.0% of sales, compared to adjusted net earnings of $7.9 million or 3.1% of sales for the same period in 2011. This increase is primarily the result of the contribution of new acquisitions and new location growth.

Basic and Diluted Earnings Per Unit was $0.375 per unit for the nine months ended September 30, 2012 compared to basic and diluted earnings of $0.462 per unit in the same period in 2011. The decrease to the basic and diluted earnings per unit amounts is attributed to the impacts in 2012 from fair value adjustments for the class A exchangeable shares and unit options and additional amortization of intangibles from acquisitions and new location growth.

Summary of Quarterly Results

($000's, except per unit data)	2012			2011				2010
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Sales	109,080	102,940	107,404	100,493	97,333	77,567	81,573	80,808
Net earnings	1,504	1,123	2,078	(2,070)	6,519	(2,387)	888	7,950
Basic earnings per unit	0.120	0.090	0.166	(0.192)	0.593	(0.221)	0.082	0.738
Diluted earnings per unit	0.120	0.090	0.166	0.181	0.220	(0.221)	0.082	0.756
Adjusted net earnings [(1)]	3,270	3,164	3,275	4,475	2,709	2,662	2,569	4,876
Adjusted net earnings per unit [(1)]	0.261	0.252	0.261	0.357	0.247	0.247	0.238	0.452
Adjusted net earnings per unit and class A share [(1)]	0.253	0.245	0.253	0.346	0.210	0.229	0.221	0.419

[(1)] Non-GAAP financial measures

Sales have increased in recent quarters due to the acquisition of Cars, Master, Pearl and other new locations. Earnings in the fourth quarter of 2010 benefitted from a hail storm in Arizona and a return to same-store sales growth. The growth in earnings in the fourth quarter of 2010 was also impacted by the recognition of non-capital loss carryforward amounts and other tax assets that had previously been offset with a valuation allowance, offset by the impact of writing down $1.3 million in goodwill related to an individual glass business in B.C. The decrease in earnings in the first and second quarters of 2011 is primarily due to the fair value adjustments for exchangeable class A shares and unit options which reduced net earnings, as well as expensing acquisition and transaction costs that under previous GAAP would have been recorded as part of the purchase price and the recording of deferred income tax expense. The third quarter of 2011 benefitted from the reversal of much of the fair value adjustments experienced during the first two quarters of the year, while the fourth quarter was again impacted negatively by fair value adjustments as well as the accrual of settlement costs associated with the retirement of the Executive Chairman. Sales and earnings during 2012 benefitted from the acquisition growth of Master, Pearl and other new locations but was negatively affected by fair value adjustments for exchangeable class A shares and unit options. Adjusted net earnings demonstrates the stability in net earnings after adjusting for certain fair value and other infrequent adjustments. A reconciliation between net earnings and adjusted net earnings is included within the non-GAAP financial measures section of this report.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations, together with cash on hand and unutilized credit available on existing credit facilities are expected to be sufficient to meet operating requirements, capital expenditures and distributions. At September 30, 2012, the Fund had cash, net of outstanding deposits and cheques held on deposit in U.S. bank accounts totalling $13.9 million (December 31, 2011 - $18.4 million). The net working capital ratio (current assets divided by current liabilities) was 1.01:1 at September 30, 2012 (December 31, 2011 - 1.13:1).

At September 30, 2012, the Fund had total debt outstanding, net of cash, of $32.9 million compared to $30.6 million at June 30, 2012, $27.4 million at March 31, 2012, $16.9 million at December 31, 2011 and $19.2 million at September 30, 2011. In the first quarter of 2012, the Company incurred a $7.0 million seller loan and used approximately $2.3 million in cash as part of the Master acquisition. During the second quarter of 2012 an additional $3.2 million was used for single store growth and rebranding of Cars and True2Form locations. In the third quarter of 2012, the Company incurred a $2.7 million seller loan and used approximately $1.4 million in cash as part of the Pearl acquisition.

The following table reports the debt position, net of cash, of the Fund for the last five quarters.

Total Debt, Net of Cash ($ Millions)	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011
Bank indebtedness	$ 3.7	$ 3.0	$ -	$ -	$ -
U.S. senior bank debt	21.5	22.7	22.6	23.4	24.3
Seller loans	15.2	13.3	13.0	5.5	5.9
Obligations under finance leases	6.4	7.1	6.4	6.4	6.0
	$ 46.8	$ 46.1	$ 42.0	$ 35.3	$ 36.2
Cash	13.9	15.5	14.6	18.4	17.0
Total Debt, Net of Cash	$ 32.9	$ 30.6	$ 27.4	$ 16.9	$ 19.2

Operating Activities

Cash flow generated from operations, before considering working capital changes, was $4.9 million for the three months ended September 30, 2012, compared to $5.0 million reported last year. The current year cash flow has been impacted by higher acquisition costs, finance costs, income taxes and payments related to the accrued settlement obligation.

Cash flow generated before considering working capital changes was $14.2 million for the first nine months of 2012, up $2.0 million from the $12.2 million reported last year, reflecting higher EBITDA offset by increased finance costs ,income taxes and payments related to the accrued settlement obligation.

For the third quarter of 2012, working capital used cash of $2.2 million compared to providing cash of $0.7 million for the same period in 2011. For the first nine months of 2012, working capital changes used cash of $4.5 million compared to a use of $1.2 million for the same period in 2011. During the quarter, accounts receivable positions temporarily increased due to system conversions, summer vacations and work slow-downs with some insurance companies. The U.S. system conversion and timing of supplier payments resulted in a further temporary investment in working capital throughout the year. Increases and decreases in accounts receivable, inventory, prepaid expenses, income taxes, accounts payable and accrued liabilities are significantly influenced by timing of collections and expenditures as well as changes in the foreign exchange translation of U.S. working capital items.

Financing Activities

For the third quarter of 2012, cash used by financing activities totalled $1.1 million. This compares to cash provided of $7.2 million for the same period in the prior year, primarily as a result of the unit offering completed in the third quarter of 2011. During the three months ended September 30, 2012, cash was provided from draws on the operating line of $0.7 million, increases in unearned rebates of $0.9 million as well as the collection of rebates receivable. Uses of cash included the repayment of long-term debt totalling $0.9 million, repayment of obligations under finance leases of $0.6 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $1.5 million. Cash was provided in 2011 from the unit offering which provided net proceeds of $12.2 million. Cash was also provided from increases in unearned rebates of $0.2 million as well as the proceeds from a sale-leaseback and the collection of rebates receivable. Uses of cash included the repayment of long-term debt totalling $0.6 million, repayment of operating line borrowings of $3.5 million, repayment of obligations under finance leases of $0.6 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $1.2 million.

Cash provided by financing activities totalled $36 thousand for the nine months ended September 30, 2012, compared to $20.1 million in the prior year. During 2012, cash was provided from draws on the operating line of $3.7 million, increases in unearned rebates of $3.5 million as well as the proceeds from sale-leasebacks and collection of rebates receivable. Cash was used for the repayment of long-term debt totalling $2.4 million, the repayment of finance leases in the amount of $1.8 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $4.4 million. During the first nine months of 2011, cash was provided by a unit offering which provided net proceeds of $12.2 million, as well as increases in long-term debt in the amount of $6.5 million, unearned rebates of $6.3 million as well as the collection of rebates receivable of $1.2 million and proceeds received from the leasing of assets of $1.2 million. Cash was used for the repayment of long-term debt totalling $1.7 million, the repayment of obligations under finance leases of $1.6 million and distributions paid to unitholders and dividends to Class A common shareholders totalling $3.6 million.

Trading Partner Funding – Prepaid Rebates and Loans

During the first nine months of 2012, the Company received its regularly scheduled rebate from its trading partners, in the amount of $1,097,500 U.S. (2011 - $1,087,860 U.S.). The Company also received $405,000 U.S. in payments to assist the Company with its rebranding efforts in the U.S. marketplace. Additional prepaid rebates are available for new acquisitions and start-ups and regular testing of the criteria used to determine additional rebates will apply, with any under-funded (or over-funded) amounts being collected (or repaid) by the Company at that time. During the first nine months of 2012, the Company received $3.5 million of new rebates in connection with new acquisitions during the period and repaid $0.2 million as over-funded adjustments to rebates previously received.

Debt Financing

The Fund has supplemented its debt financing in the past by negotiating with sellers in certain acquisitions to provide financing to the Company in the form of term notes. The notes payable to sellers are typically at favourable interest rates and for terms of 5-15 years. This source of financing is another means of supporting the Fund's growth, at a relatively low cost.

During the first nine months of 2012, the Fund obtained debt from sellers in the amount of $10.6 million with respect to transactions during the period to finance the acquisition and development of businesses.

The Fund has traditionally used finance leases to finance a portion of its maintenance capital expenditures as well as a portion of its start-up and acquisition growth. During the first nine months of 2012, the Fund received $0.5 million under two sale-leaseback transactions. At September 30, 2012, the Fund owed $6.4 million in finance lease obligations compared to $6.4 million at December 31, 2011. Maintenance capital expenditures for the nine months ended September 30, 2012 of $1.5 million was financed by way of financing leases.

Investing Activities

Cash used in investing activities totalled $13.9 million for the nine months ended September 30, 2012, compared to $23.1 million used in the prior year. The use of cash for 2012 related to expenditures made for maintaining or replacing existing equipment, maintaining or upgrading existing facilities, the development and acquisition of new facilities, including Master and Pearl, investment in information management systems and the rebranding of Master, Cars and True2Form. In 2011 the use of cash was primarily related to the acquisition of Cars.

Sustaining Capital Expenditures

The Fund spent approximately $2.4 million or 0.7% of sales on the acquisition of software, equipment and facility upgrades during the first nine months of 2012, compared to $1.0 million or 0.4% of sales during the same period in 2011.

RELATED PARTY TRANSACTIONS

The Fund has not entered into any new related party transactions beyond the items disclosed in the 2011 annual report.

FUTURE ACCOUNTING STANDARDS

The following is an overview of accounting standard changes that the Fund will be required to adopt in future years:

The IASB intends to replace IAS 39 “Financial Instruments: Recognition and Measurement” in its entirety with IFRS 9 “Financial Instruments” in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39, and is effective for annual periods beginning on or after January 1, 2015, with earlier adoption permitted. The Fund is currently evaluating the impact the final standard is expected to have on its financial statements.

In May 2011, the IASB issued the following standards which have not yet been adopted by the Fund: IFRS 10 “Consolidated Financial Statements”, IFRS 11 ”Joint Arrangements”, IFRS 12 “Disclosure of Interests in Other Entities”, IFRS 13 “Fair Value Measurement” and amended IAS 27 “Separate Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”. Each of the new standards and amendments is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. Based on its initial investigation, the Fund does not expect these standards will have a material impact on the Fund.

FINANCIAL INSTRUMENTS AND HEDGES

Transactional foreign currency risk exists in limited circumstances where U.S. denominated cash is received in Canada. The Company monitors U.S. denominated cash flows to be received in Canada and evaluates whether to use forward foreign exchange contracts. During the first nine months of 2012, the Company did not settle or enter into any new contracts. For more information on the financial instruments and related financial risk factors, see the audited Consolidated Financial Statements for the year ended December 31, 2011.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements that present fairly the financial position, financial condition and results of operations in accordance with Canadian generally accepted accounting principles requires that the Fund make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates.

The critical accounting estimates are substantially unchanged from those identified in the 2011 annual MD&A.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Fund’s internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the third quarter of 2012, there have been no changes in the Fund’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Fund’s internal control over financial reporting. While the CEO & CFO have concluded there were no changes, the Fund completed a system conversion of its management and back-office accounting systems affecting the U.S. business that will further enhance internal controls. The design of internal controls at Master Collision Repair have been considered and based on the pre-existing controls in place and oversight controls implemented, no areas of immediate concern with respect to disclosure controls and procedures or internal controls have been identified. However, due to the short period since the acquisitions, a full assessment has not been completed. As a result, the Fund has noted this limitation in the certificates and provides the following summary information with respect to Master Collision Repair. During the three month period ending September 30, 2012 Master Collision Repair reported sales of $4.8 million and net earnings of $48 thousand. As at September 30, 2012, Master Collision Repair reported current assets of $1.5 million, current liabilities of $1.3 million, $12.3 million of long-term assets and $7.0 million of long-term liabilities.

BUSINESS RISKS AND UNCERTAINTIES

Risks and uncertainties affecting the business remain substantially unchanged from those identified in the 2011 annual MD&A.

ADDITIONAL INFORMATION

The Fund's units trade on the Toronto Stock Exchange under the symbol TSX: BYD.UN. Additional information relating to the Boyd Group Income Fund is available on SEDAR (www.sedar.com) and our website (www.boydgroup.com).

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These unaudited condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management is responsible for their integrity, objectivity and reliability, and for the maintenance of financial and operating systems, which include effective controls, to provide reasonable assurance that the Fund's assets are safeguarded and that reliable financial information is produced.

The Board of Trustees is responsible for ensuring that management fulfills its responsibilities for financial reporting, disclosure control and internal control. The Board exercises these responsibilities through its Audit Committee, all members of which are not involved in the daily activities of the Fund. The Audit Committee meets with management and, as necessary, with the independent auditors, Deloitte & Touche LLP, to satisfy itself that management's responsibilities are properly discharged and to review and report to the Board on the interim condensed consolidated financial statements.

These interim condensed consolidated financial statements and related notes and other interim filings have not been reviewed by the Fund's auditors.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Brock Bulbuck, Chief Executive Officer of the Boyd Group Income Fund**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of the **Boyd Group Income Fund**, (the "issuer") for the interim period ended **September 30, 2012**.
2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (i.) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii.) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Committee of Sponsor Organizations of the Treadway Commission ("COSO") framework in Internal Control – Integrated Framework.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** The issuer has disclosed in its interim MD&A

   (a) the fact that the issuer's other certifying officer(s) and I have limited the scope of our design of DC&P and ICFR to exclude controls, policies and procedures of

      (i.) N/A

      (ii.) N/A

      (iii.) A business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and

(b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer's financial statements.

6. ***Reporting Changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2012 and ended on September 30, 2012 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: November 14, 2012

(signed)

Brock Bulbuck
Chief Executive Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Dan Dott, Chief Financial Officer of the Boyd Group Income Fund**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of the **Boyd Group Income Fund**, (the "issuer") for the interim period ended **September 30, 2012**.
2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim report do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

    (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

    - (i.) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
    - (ii.) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

    (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Committee of Sponsor Organizations of the Treadway Commission ("COSO") framework in Internal Control – Integrated Framework.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** The issuer has disclosed in its interim MD&A

(a) the fact that the issuer's other certifying officer(s) and I have limited the scope of our design of DC&P and ICFR to exclude controls, policies and procedures of

- (i.) N/A
- (ii.) N/A
- (iii.) A business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and

(b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer's financial statements.

6. ***Reporting Changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2012 and ended on September 30, 2012 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: November 14, 2012

(signed)

Dan Dott, C.A.
Vice President & Chief Financial Officer

BOYD GROUP INCOME FUND

Interim Condensed Consolidated Financial Statements

Three and Nine Months Ended September 30, 2012

<u>Notice</u>: These interim condensed consolidated financial statements have not been audited or reviewed by the Fund's independent external auditors, Deloitte & Touche LLP.

BOYD GROUP INCOME FUND

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Canadian dollars)

	September 30, 2012	December 31, 2011
Assets		
Current assets:		
Cash	**$ 13,905,071**	$ 18,443,269
Accounts receivable	**27,792,735**	22,470,947
Inventory	**6,808,542**	7,258,233
Prepaid expenses	**2,553,050**	2,606,836
	51,059,398	50,779,285
Property, plant and equipment	**41,115,339**	34,622,017
Deferred income tax asset	**10,449,940**	10,004,769
Intangible assets *(Note 3)*	**27,871,491**	26,137,868
Goodwill *(Note 4)*	**34,700,577**	28,051,434
	$ 165,196,745	$ 149,595,373
Liabilities and Equity		
Current liabilities:		
Bank indebtedness	**$ 3,701,160**	$ -
Accounts payable and accrued liabilities	**39,725,585**	38,515,851
Income taxes payable	**150,924**	479,453
Distributions payable *(Note 5)*	**470,141**	469,805
Dividends payable *(Note 11)*	**14,640**	14,975
Derivative contracts	**96,820**	7,900
Current portion of long-term debt *(Note 6)*	**3,017,215**	2,201,464
Current portion of obligations under finance leases	**2,072,372**	2,302,462
Current portion of settlement accrual	**1,093,834**	1,093,843
	50,342,691	45,085,753
Long-term debt *(Note 6)*	**33,726,229**	26,744,640
Obligations under finance leases	**4,334,976**	4,076,921
Unearned rebates *(Note 7)*	**26,105,905**	24,269,749
Settlement accrual	**1,098,935**	1,919,393
Exchangeable class A shares *(Note 11)*	**5,671,525**	4,146,751
Unit based payment obligation	**3,196,934**	1,650,370
Non-controlling interest put option	**772,205**	442,395
	125,249,400	108,335,972
Equity		
Accumulated other comprehensive loss	**(1,991,295)**	(192,026)
Deficit	**(36,906,614)**	(37,381,319)
Unitholders' capital	**74,843,183**	74,830,675
Contributed surplus	**4,002,071**	4,002,071
	39,947,345	41,259,401
	$ 165,196,745	$ 149,595,373

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP INCOME FUND
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)
(Canadian dollars)

	Unitholders' Capital Units	Unitholders' Capital Amount	Contributed Surplus	Accumulated Other Comprehensive (Loss) Earnings	Deficit	Total Equity
Balances - January 1, 2011	10,782,102	$ 57,983,678	$ 4,002,071	$ (1,357,080)	$ (35,264,805)	$ 25,363,864
Issue costs	-	(1,426,496)				(1,426,496)
Units issued from treasury	1,300,000	13,975,000				13,975,000
Retractions	446,034	4,298,493				4,298,493
Other comprehensive earnings				1,165,054		1,165,054
Net earnings					2,949,917	2,949,917
Comprehensive earnings				1,165,054	2,949,917	4,114,971
Non-controlling interest put option adjustment					(228,825)	(228,825)
Distributions to unitholders					(4,837,606)	(4,837,606)
Balances - December 31, 2011	12,528,136	$ 74,830,675	$ 4,002,071	$ (192,026)	$ (37,381,319)	$ 41,259,401
Issue costs	-	(92,496)				(92,496)
Retractions	8,955	105,004				105,004
Other comprehensive loss				(1,799,269)		(1,799,269)
Net earnings					4,704,900	4,704,900
Comprehensive earnings				(1,799,269)	4,704,900	2,905,631
Distributions to unitholders (Note 5)					(4,230,195)	(4,230,195)
Balances - September 30, 2012	12,537,091	$ 74,843,183	$ 4,002,071	$ (1,991,295)	$ (36,906,614)	$ 39,947,345
Balances - January 1, 2011	10,782,102	$ 57,983,678	$ 4,002,071	$ (1,357,080)	$ (35,264,805)	$ 25,363,864
Issue costs	-	(1,293,967)				(1,293,967)
Units issued from treasury	1,300,000	13,975,000				13,975,000
Retractions	444,426	4,284,809				4,284,809
Other comprehensive earnings				2,232,400		2,232,400
Net earnings					5,019,521	5,019,521
Comprehensive earnings				2,232,400	5,019,521	7,251,921
Distributions to unitholders					(3,459,556)	(3,459,556)
Balances - September 30, 2011	12,526,528	$ 74,949,520	$ 4,002,071	$ 875,320	$ (33,704,840)	$ 46,122,071

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP INCOME FUND

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)

Nine Months Ended September 30,
(Canadian dollars)

		2012		2011
Sales	**$**	**319,423,740**	$	256,473,274
Cost of sales		**175,981,433**		141,440,509
Gross margin		**143,442,307**		115,032,765
Operating expenses		**122,138,573**		98,342,164
Foreign exchange losses (gains)		**71,990**		(46,177)
Acquisition and transaction costs		**712,011**		1,611,666
Depreciation		**5,685,226**		4,247,735
Amortization of intangible assets		**2,794,453**		1,329,358
Fair value adjustment to exchangeable shares		**1,629,777**		945,517
Fair value adjustment to unit options		**1,546,564**		361,355
Non-controlling interest put option adjustment		**347,137**		-
Finance costs		**1,988,959**		1,474,789
		136,914,690		108,266,407
Earnings before income taxes		**6,527,617**		6,766,358
Income tax expense				
Current		**1,499,931**		80,556
Deferred		**322,786**		1,666,281
		1,822,717		1,746,837
Net earnings	**$**	**4,704,900**	$	5,019,521

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Basic earnings per unit *(Note 10)*	**$**	**0.375**	$	0.462
Diluted earnings per unit *(Note 10)*	**$**	**0.375**	$	0.462
Weighted average number of units outstanding		**12,533,921**		10,854,139

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (Unaudited)

Nine Months Ended September 30,

		2012		2011
Net earnings	**$**	**4,704,900**	$	5,019,521
Other comprehensive (loss) earnings				
Change in unrealized (loss) earnings on translating financial statements of foreign operations		**(1,799,269)**		2,232,400
Other comprehensive (loss) earnings		**(1,799,269)**		2,232,400
Comprehensive earnings	**$**	**2,905,631**	$	7,251,921

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP INCOME FUND
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Nine Months Ended September 30,
(Canadian dollars)

	2012	2011
Cash flows from operating activities		
Net earnings	**$ 4,704,900**	$ 5,019,521
Items not affecting cash		
Non-controlling interest put option adjustment	**347,137**	-
Deferred income taxes	**322,786**	1,666,281
Amortization of intangible assets	**2,794,453**	1,329,358
Depreciation	**5,685,226**	4,247,735
Amortization of unearned rebates	**(2,180,269)**	(1,615,336)
Gain on disposal of equipment	**(18,547)**	(4,246)
Adjustment in liability for exchangeable class A shares	**1,629,777**	945,517
Interest accrued on class A exchangeable shares	**132,827**	248,600
Unit option compensation expense	**1,546,564**	361,355
Unrealized foreign exchange (gain) loss on internal loans	**(168,000)**	409,200
Unrealized loss (gain) on derivative contracts	**204,420**	(441,940)
Realized foreign exchange loss on internal loan	**95,500**	569,700
Realized loss on derivative contracts	**(115,500)**	(515,860)
Payment of accrued settlement obligation	**(820,467)**	-
	14,160,807	12,219,885
Changes in non-cash working capital items	**(4,524,589)**	(1,174,648)
	9,636,218	11,045,237
Cash flows provided by financing activities		
Fund units issued from treasury	**-**	13,975,000
Issue costs	**(19,713)**	(1,743,186)
Increase in obligations under long-term debt	**-**	6,529,908
Repayment of long-term debt	**(2,370,109)**	(1,713,668)
Increase (decrease) in bank indebtedness	**3,699,493**	(235,381)
Repayment of obligations under finance leases	**(1,775,344)**	(1,580,518)
Proceeds on sale-leaseback agreement	**482,840**	1,154,521
Dividends paid on Class A common shares	**(133,162)**	(259,928)
Distributions paid to unitholders	**(4,229,859)**	(3,344,591)
Increase in unearned rebates	**3,533,483**	6,301,448
Repayment of unearned rebates	**(247,368)**	(144,460)
Increase in financing costs	**-**	(4,938)
Collection of rebates receivable	**1,096,211**	1,183,952
	36,472	20,118,159
Cash flows used in investing activities		
Proceeds on sale of equipment	**88,781**	63,352
Equipment purchases and facility improvements	**(2,181,323)**	(867,615)
Acquisition and development of businesses	**(11,621,450)**	(22,081,447)
Software purchases and licensing	**(198,483)**	(178,665)
	(13,912,475)	(23,064,375)
Foreign exchange	**(298,413)**	(726,009)
Net (decrease) increase in cash position	**(4,538,198)**	7,373,012
Cash, beginning of period	**18,443,269**	9,593,773
Cash, end of period	**$ 13,905,071**	$ 16,966,785
Income taxes paid	**$ 1,832,439**	$ 279,248
Interest paid	**$ 1,411,265**	$ 1,553,739

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP INCOME FUND
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)
Three Months Ended September 30,
(Canadian dollars)

		2012		2011
Sales	**$**	**109,079,563**	$	97,333,007
Cost of sales		**59,982,187**		53,812,320
Gross margin		**49,097,376**		43,520,687
Operating expenses		**41,554,935**		37,248,660
Foreign exchange losses (gains)		**72,282**		(106,967)
Acquisition and transaction costs		**219,121**		150,706
Depreciation		**2,029,924**		1,789,699
Amortization of intangible assets		**749,584**		571,866
Fair value adjustment to exchangeable shares		**656,933**		(3,285,284)
Fair value adjustment to unit options		**639,548**		(676,328)
Non-controlling interest put option adjustment		**249,467**		-
Interest expense		**731,359**		588,394
		46,903,153		36,280,746
Earnings before income taxes		**2,194,223**		7,239,941
Income tax expense				
Current		**655,858**		(2,745)
Deferred		**34,695**		723,823
		690,553		721,078
Net earnings	**$**	**1,503,670**	$	6,518,863

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Basic earnings per unit *(Note 10)*	**$**	**0.120**	$	0.593
Diluted earnings per unit *(Note 10)*	**$**	**0.120**	$	0.220
Weighted average number of units outstanding		**12,536,749**		10,986,438

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) EARNINGS (Unaudited)
Three Months Ended September 30,

		2012		2011
Net earnings	**$**	**1,503,670**	$	6,518,863
Other comprehensive (loss) earnings				
Change in unrealized (loss) earnings on translating financial statements of foreign operations		**(1,889,306)**		3,260,861
Other comprehensive (loss) earnings		**(1,889,306)**		3,260,861
Comprehensive (loss) earnings	**$**	**(385,636)**	$	9,779,724

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP INCOME FUND
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
Three Months Ended September 30,
(Canadian dollars)

	2012	2011
Cash flows from operating activities		
Net earnings	**$ 1,503,670**	$ 6,518,863
Items not affecting cash		
Non-controlling interest put option adjustment	**249,467**	-
Deferred income taxes	**34,695**	723,823
Amortization of intangible assets	**749,584**	571,866
Depreciation	**2,029,924**	1,789,699
Amortization of unearned rebates	**(734,584)**	(638,181)
Gain on disposal of equipment	**(3,854)**	(8,449)
Adjustment in liability for exchangeable class A shares	**656,933**	(3,285,284)
Interest accrued on class A exchangeable shares	**43,957**	72,067
Unit option compensation expense	**639,548**	(676,328)
Unrealized foreign exchange (gain) loss on internal loans	**(177,000)**	596,800
Unrealized loss (gain) on derivative contracts	**184,320**	(652,000)
Payment of accrued settlement obligation	**(271,290)**	-
	4,905,370	5,012,876
Changes in non-cash working capital items	**(2,191,569)**	728,997
	2,713,801	5,741,873
Cash flows (used in) provided by financing activities		
Fund units issued from treasury	**-**	13,975,000
Issue costs	**-**	(1,733,529)
Repayment of long-term debt	**(885,821)**	(635,365)
Increase (decrease) in bank indebtedness	**675,379**	(3,516,134)
Repayment of obligations under finance leases	**(578,239)**	(576,694)
Proceeds on sale-leaseback agreement	**-**	303,342
Dividends paid on Class A common shares	**(43,985)**	(87,173)
Distributions paid to unitholders	**(1,410,355)**	(1,133,713)
Increase in unearned rebates	**864,400**	203,027
Repayment of unearned rebates	**-**	(79,929)
Collection of rebates receivable	**284,402**	475,047
	(1,094,219)	7,193,879
Cash flows used in investing activities		
Proceeds on sale of equipment	**32,569**	14,909
Equipment purchases and facility improvements	**(752,034)**	(321,416)
Acquisition and development of businesses	**(2,433,293)**	(1,738,309)
Software purchases and licensing	**(3,424)**	(122,359)
	(3,156,182)	(2,167,175)
Foreign exchange	**(103,715)**	(205,507)
Net (decrease) increase in cash position	**(1,640,315)**	10,563,070
Cash, beginning of period	**15,545,386**	6,403,715
Cash, end of period	**$ 13,905,071**	$ 16,966,785
Income taxes paid (recovered)	**$ 464,688**	$ (1,433)
Interest paid	**$ 682,418**	$ 653,250

The accompanying notes are an integral part of these interim condensed consolidated financial statements

(in Canadian dollars)

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

Boyd Group Income Fund (the "Fund") is an unincorporated, open-ended mutual fund trust established under the laws of the Province of Manitoba on December 16, 2002. It was established for the purposes of acquiring and holding a majority interest in The Boyd Group Inc. (the "Company"). A minority interest in the Company is held by Boyd Group Holdings Inc. ("BGHI"), which is controlled by the Fund. These financial statements reflect the activities of the Fund, the Company and all its subsidiaries including BGHI. The Company's business consists of the ownership and operation of autobody/autoglass repair facilities acquired either through the acquisition of existing businesses, or through site development resulting in new locations. The units of the Fund are listed on the Toronto Stock Exchange and trade under the symbol "BYD.UN". The head office and principal address of the Fund are located at 3570 Portage Avenue, Winnipeg, Manitoba, R3K 0Z8.

These interim condensed consolidated financial statements for the three and nine months ended September 30, 2012 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2011, which have been prepared in accordance with IFRSs.

The policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of November 13, 2012, the date the Board of Trustees approved the statements. Any subsequent changes to IFRS that are given effect in the Fund's annual consolidated financial statements for the year ending December 31, 2012 could result in restatement of these interim condensed consolidated financial statements.

2. ACQUISITIONS

On January 3, 2012, the Company completed a transaction acquiring Master Collision Repair, Inc. ("Master"). Master operates 8 collision repair centers in the Florida market. Funding for the transaction was a combination of cash, third-party financing and a seller take-back note.

On July 3, 2012, the Company completed the acquisition of Pearl Auto Body ("Pearl"), a multi-location collision repair company operating six locations in the Colorado market. Funding for the transaction was a combination of cash, third-party financing, and a seller take-back note.

The Fund also completed twelve other acquisitions during the first nine months of 2012 related to its stated objective of growing through individual locations by between six and ten percent per year.

Acquisition Date	Business & Assets Purchased	Location
February 17, 2012	Advanced Collision Solutions	Spring Grove, Illinois
March 19, 2012	Body Craft Collision Center	Marysville, Washington
March 22, 2012	Leading Edge Collision & Custom Painting	Orlando, Florida
April 27, 2012	Colonial Auto Body	Orlando, Florida
May 4, 2012	K & J Collision and Service Center	Orlando, Florida
May 25, 2012	Auto Collision	Jessup, Maryland
June 15, 2012	Carson Automotive Recycling, LLC	Alpharetta, Georgia
June 26, 2012	Burlington Collision	Burlington, Washington
June 26, 2012	Auto Glass Authority	Las Vegas, Nevada
July 25, 2012	Turn 2 Collision Center	Concord, North Carolina
August 1, 2012	Robert's Body Shop	Havelock, North Carolina
September 14, 2012	Shant Real Estate	Germantown, Maryland

The Fund has accounted for the acquisitions using the purchase method as follows:

	2012			
Identifiable net assets acquired at fair value:	Master	Pearl	Other Acquisitions	**Total**
Current assets	$ 869,141	$ 154,238	$ 328,113	**$ 1,351,492**
Property, plant and equipment	1,839,039	679,944	2,907,767	**5,426,750**
Identified intangible assets				
Customer relationships	3,769,500	983,700	152,865	**4,906,065**
Brand name	135,702	98,370	40,764	**274,836**
Non-compete agreements	150,780	98,370	20,382	**269,532**
Deferred tax asset	1,100,559	-	-	**1,100,559**
Liabilities assumed	(1,653,616)	(82,570)	-	**(1,736,186)**
Identifiable net assets acquired	6,211,105	1,932,052	3,449,891	**11,593,048**
Goodwill	5,112,173	2,136,590	152,607	**7,401,370**
Total purchase consideration	$ 11,323,278	$ 4,068,642	$ 3,602,498	**$ 18,994,418**
Consideration provided				
Cash	$ 4,286,878	$ 1,412,652	$ 2,746,351	**$ 8,445,881**
Seller notes	7,036,400	2,655,990	856,147	**10,548,537**
Total consideration provided	$ 11,323,278	$ 4,068,642	$ 3,602,498	**$ 18,994,418**

The preliminary purchase price for acquisitions as disclosed above may be revised as additional information becomes available. Further adjustments may be recorded in future periods as purchase price adjustments are finalized.

Acquisition-related costs of $712,011 (2011 - $1,232,864) have been charged as an expense in the consolidated statement of earnings for the nine months ended September 30, 2012.

U.S. acquisition transactions are initially recognized and shown as above in Canadian dollars at the rates of exchange in effect on the transaction dates. Subsequently, the assets and liabilities are translated at the rate in effect at the balance sheet date.

The results of operations reflect the revenues and expenses of acquired operations from the date of acquisition. The revenue included in the consolidated statement of earnings since January 3, 2012 contributed by Master was $15,139,636. Master also contributed net earnings of $441,684 over the same period. Pearl contributed $2,814,905 in revenue since its acquisition on July 2, 2012. It also contributed net earnings of $130,549 over the same period.

A significant part of the goodwill for Master, Pearl and an auto glass business purchased in Las Vegas, Nevada can be attributed to the assembled workforce and the operating know-how of key personnel. However, no intangible asset qualified for separate recognition in this respect.

Goodwill recognized on transactions during the year is deductible for tax purposes.

3. INTANGIBLE ASSETS

Intangible assets are recognized only when it is probable that the expected future economic benefits attributable to the assets will accrue to the Fund and the cost can be reliably measured. Intangible assets were acquired as part of the acquisition of Master and were recorded at fair value on the acquisition date. Customer relationships in the amount of $3,769,500 were acquired and will be amortized on a straight-line basis over the expected period of benefit of 20 years. Non-compete agreements signed were recorded at $150,780 and will be amortized on a straight-line basis over a five year period. The Master brand name was recorded at $135,702 and was fully amortized over the first six months of the year due to the brand name being discontinued.

(in Canadian dollars)

Intangible assets were also acquired as part of the acquisition of Auto Glass Authority of Las Vegas, Nevada and were recorded at fair value on the acquisition date. Customer relationships in the amount of $152,865 were acquired and will be amortized on a straight-line basis over the expected period of benefit of 10 years. Non-compete agreements signed were recorded at $20,382 and will be amortized on a straight-line basis over a five year period. The brand name was recorded at $40,764.

The acquisition of the business and assets of Pearl Auto Body operating in the Colorado market resulted in the recognition of further intangible assets during the year. The following intangible assets were recorded at fair value on the acquisition date. Customer relationships in the amount of $983,700 were acquired and will be amortized on a straight-line basis over the expected period of benefit of 10 years. Non-compete agreements signed were recorded at $98,370 and will be amortized on a straight-line basis over a five year period. The brand name was also recorded at $98,370. The Company is expected to discontinue this brand name and so it is being amortized over a six-month period.

4. GOODWILL

Balance at January 1, 2012	**$ 28,051,434**
Acquired through business combination	**7,618,088**
Foreign exchange	**(968,945)**
Balance at September 30, 2012	**$ 34,700,577**

5. DISTRIBUTIONS

The Fund's Trustees have discretion in declaring distributions. The Fund's distribution policy is to make distributions of its available cash from operations taking into account current and future performance, amounts necessary for principal and interest payments on debt obligations, amounts required for maintenance capital expenditures and amounts allocated to reserves.

Distributions to unitholders were declared and paid as follows:

Record Date	Payment Date	Distribution per Unit	Distribution Amount
January 31, 2012	February 27, 2012	$ 0.0375	$ 469,854
February 29, 2012	March 28, 2012	0.0375	469,918
March 31, 2012	April 26, 2012	0.0375	469,939
April 30, 2012	May 29, 2012	0.0375	469,952
May 31, 2012	June 27, 2012	0.0375	470,036
June 30, 2012	July 27, 2012	0.0375	470,112
July 31, 2012	August 29, 2012	0.0375	470,115
August 31, 2012	September 26, 2012	0.0375	470,128
September 30, 2012	October 29, 2012	0.0375	470,141
		$ 0.3375	$ 4,230,195

On November 13, 2012, the Trustees of the Fund and the Directors of BGHI approved an increase in monthly distributions and dividends to $0.039 per unit commencing November 2012, for unitholders and shareholders of record on November 30, 2012.

(in Canadian dollars)

6. LONG-TERM DEBT

During 2012, the Fund obtained a new 8.0% seller note in the amount of $7.0 million U.S. repayable in monthly payments of principal and interest over 15 years. The proceeds were used to finance the Master Collision acquisition completed on January 3, 2012. Also during the year, the Fund obtained a new 5.0% seller note in the amount of $2.7 million U.S. repayable in monthly payments of principal and interest over eight years used to finance the Pearl acquisition. In addition, as part of the purchase of land and building in Broken Arrow, Oklahoma, the Fund obtained a seller mortgage in the amount of $650,000 U.S. repayable in monthly payments of principal and interest over 10 years with a fixed interest rate of 5.0% and secured by the related land and building. Seller loans were also obtained related to the acquisitions of Marysville, Washington; Orlando, Florida; Alpharetta, Georgia; Burlington, Washington; Alpharetta, Georgia as well as Concord and Havelock, North Carolina for combined proceeds of $892,010 U.S. Repayments of long-term debt in the third quarter amounting to $885,821 (2011 - $635,365) and year-to-date amounting to $2,370,109 (2011 - $1,713,668) were made in line with previously disclosed repayment terms.

7. UNEARNED REBATES

The Company has an agreement with strategic trading partners providing it with prepaid rebate funding. During 2012, in connection with the Master acquisition and under a new addendum to its existing supply agreement, the Company received a one-time enhanced prepaid rebate from its trading partners of $2,016,790. In connection with the Pearl acquisition and under its existing supply agreement, the Company received a prepaid rebate from its trading partners of $611,084. Beginning on February 29, 2012 additional regularly scheduled rebates are collectible in quarterly instalments of $41,667 U.S. for a period of six years ending on November 30, 2017. The prepaid rebate and the additional quarterly rebates are deferred as unearned rebates and amortized to earnings, as a reduction of cost of sales, over a period of 15 years. The enhanced prepaid rebate will be tested after three years, with any over funding being adjusted against the additional quarterly rebates. Other rebates received during the nine months ending September 30, 2012 related to opening single locations and to support rebranding efforts amounted to $905,609.

8. SEGMENTED REPORTING

The Company has one reportable line of business, being automotive collision repair and related services, with all revenues relating to a group of similar services. In this circumstance, IFRS requires the Fund to provide geographical disclosure of segments. For the periods reported, all of the Fund's revenues were derived within Canada or the United States of America. Reportable assets include property, plant and equipment, goodwill and intangible assets which are all located within these two geographic areas.

	Revenues		Reportable Assets	
	September 30, 2012	September 30, 2011	**September 30, 2012**	December 31, 2011
Canada	**$ 53,995,979**	$ 56,279,605	**$ 16,316,861**	$ 16,207,609
United States	**265,427,761**	200,193,669	**87,370,546**	72,603,710
Total	**$ 319,423,740**	$ 256,473,274	**$ 103,687,407**	$ 88,811,319

9. SEASONALITY

The Fund's financial results for any individual quarter are not necessarily indicative of results to be expected for the full year. Interim period revenues and earnings are typically sensitive to regional and local weather, market conditions, and in particular, to cyclical variations in economic activity.

(in Canadian dollars)

10. EARNINGS PER UNIT

	Three Months Ended September 30, 2012	Three Months Ended September 30, 2011	Nine Months Ended September 30, 2012	Nine Months Ended September 30, 2011
a) Earnings:				
Net earnings	**$ 1,503,670**	$ 6,518,863	**$ 4,704,900**	$ 5,019,521
Less:				
Dilutive impact of exchange of class A exchangeable shares	-	(3,213,218)	-	-
Dilutive impact of calculated unit option conversion	-	(676,328)	-	-
Net earnings – diluted basis	**$ 1,503,670**	$ 2,629,317	**$ 4,704,900**	$ 5,019,521
b) Number of units:				
Average number of units outstanding	**12,536,749**	10,986,436	**12,533,921**	10,854,139
Add:				
Dilutive impact of exchange of class A exchangeable shares	-	689,457	-	-
Calculated unit option conversion	-	268,143	-	-
Average number of units and Class A common shares outstanding – diluted basis	**12,536,749**	11,944,036	**12,533,921**	10,854,139
Earnings per unit (a) divided by (b)				
Basic	**$ 0.120**	$ 0.593	**$ 0.375**	$ 0.462
Diluted	**$ 0.120**	$ 0.220	**$ 0.375**	$ 0.462

11. FINANCIAL INSTRUMENTS

Exchangeable Class A Shares

The Class A common shares of BGHI are exchangeable into units of the Fund. To facilitate the exchange, BGHI issues one Class B common share to the Fund for each Class A common share that has been retracted. The Fund in turn issues a trust unit to the Class A common shareholder. The exchangeable feature results in the Class A common shares of BGHI being presented as financial liabilities of the Fund. Exchangeable Class A shares are measured at the market price of the units of the Fund as of the statement of financial position date. The market price is based on a ten day trading average for the units at such date. Exchanges are recorded at carrying value. At September 30, 2012 there were 364,963 (December 31, 2011 – 819,279) shares outstanding with a carrying value of $5,671,525 (December 31, 2011 - $4,146,751).

Dividends on the exchangeable class A shares are recorded as interest expense and were declared and paid as follows:

Record Date	Payment Date	Dividend per Share	Dividend Amount
January 31, 2012	February 27, 2012	$ 0.0375	$ 14,926
February 29, 2012	March 28, 2012	0.0375	14,862
March 31, 2012	April 26, 2012	0.0375	14,842
April 30, 2012	May 29, 2012	0.0375	14,827
May 31, 2012	June 27, 2012	0.0375	14,745
June 30, 2012	July 27, 2012	0.0375	14,668
July 31, 2012	August 29, 2012	0.0375	14,666
August 31, 2012	September 26, 2012	0.0375	14,652
September 30, 2012	October 29, 2012	0.0375	14,640
		$ 0.3375	$ 132,828