



NEWS RELEASE

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Boyd Group Income Fund Reports Fourth Quarter and Full Year 2018 Results

- Achieved record revenue of \$1.9 billion and Adjusted EBITDA of \$173.4 million; delivered growth on track with stated goal -

Winnipeg, Manitoba – March 21, 2019 – Boyd Group Income Fund (TSX: BYD.UN) (“the Fund”, “the Boyd Group” or “Boyd”) today reported its financial results for the three and twelve-month periods ended December 31, 2018. The Fund’s fourth quarter 2018 financial statements and MD&A have been filed on SEDAR (www.sedar.com). This news release is not in any way a substitute for reading the Boyd Group’s financial statements, including notes to the financial statements, and Management’s Discussion & Analysis.

2018 Highlights

- Sales increased by 18.8% to \$1.9 billion from \$1.6 billion in 2017, including same-store sales increases of 4.8%. After adjusting for one additional selling/production day, same-store sales increased 4.4% on a per day basis
- Adjusted EBITDA¹ increased 19.1% to \$173.4 million, compared with \$145.6 million in 2017
- Net earnings increased 32.9% to \$77.6 million, compared with \$58.4 million in 2017 and net earnings per unit increased 24.8% to \$3.94, compared with \$3.16 in 2017
- Adjusted net earnings¹ increased 45.5% to \$85.6 million, compared with \$58.8 million in 2017 and adjusted net earnings per unit¹ increased 36.7% to \$4.35, compared with \$3.18 in 2017
- Added 81 locations, which represented 16% growth in new locations
- Increased monthly distributions by 2.3% in November 2018, bringing the distributions to an annualized amount of \$0.54 per unit from \$0.528 per unit
- Unit price increased 12.0% from \$100.89 to \$112.95 during the year
- U.S. corporate tax expense reduced by approximately \$10.8 million as U.S. tax rates decreased from approximately 39% to 26%
- Completed investment and training for roll-out of company-wide diagnostic repair scanning technology

Subsequent to Quarter End

- Added 34 locations, including entry into the new markets of New York and South Carolina, and growing to over 600 locations in North America
- Completed the call option transaction to acquire the 30% non-controlling interest in Glass America LLC

“In 2018, we again continued to grow on pace to achieve our objective to double the size of the business and revenues (on a constant currency basis) during the five-year period ending in 2020” said Brock Bulbuck, Chief Executive Officer of the Boyd Group. “In addition to achieving our growth goals, we were able to make meaningful progress in many strategic areas of the business, including diagnostic repair scanning, technician recruitment and retention, as well as entering a number of new states and markets.”

Results of Operations	For the three months ended			For the years ended		
	December 31			December 31		
(thousands of dollars, except per unit amounts)	2018	% change	2017	2018	% change	2017
Sales – Total	495,131	19.4	414,619	1,864,613	18.8	1,569,448
Same-store sales – Total (excluding foreign exchange)	434,621	6.8	406,862	1,506,889	4.8	1,437,900
Gross margin %	44.3	(2.4)	45.4	45.2	(1.3)	45.8
Operating expense %	34.7	(1.7)	35.3	35.9	(1.6)	36.5
Adjusted EBITDA ¹	47,563	13.8	41,810	173,383	19.1	145,635
Acquisition and transaction costs	2,626	204.3	863	4,298	100.0	2,149
Depreciation and amortization	14,024	15.9	12,104	51,741	24.2	41,665
Fair value adjustments	(8,673)	N/A	7,300	4,787	N/A	8,167
Finance costs	2,911	4.3	2,792	10,283	(37.7)	16,505
Income tax expense (recovery)	6,771	(253.3)	(4,416)	24,635	31.6	18,714
Adjusted net earnings ¹	23,174	33.0	17,422	85,607	45.5	58,833
Adjusted net earnings per unit ¹	1.174	29.4	0.907	4.349	36.7	3.182
Net earnings	29,904	29.1	23,167	77,639	32.9	58,435
Basic earnings per unit	1.516	25.6	1.206	3.944	24.8	3.160
Diluted earnings per unit	1.190	0.4	1.185	3.785	34.8	2.808
Standardized distributable cash ¹	57,743	42.4	40,541	153,864	60.1	96,123
Adjusted distributable cash ¹	59,503	45.5	40,902	154,821	63.9	94,452
Distributions and dividends paid	2,652	6.5	2,491	10,522	9.4	9,618

1. EBITDA, Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to the exchangeable share liability and unit option liability, convertible debenture conversion features and non-controlling interest put option and call liability, as well as acquisition and transaction costs), distributable cash, adjusted distributable cash, adjusted net earnings and adjusted net earnings per unit 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, adjusted net earnings and adjusted net earnings per unit 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 period ended December 31, 2018, which can be accessed via the SEDAR Web site (www.sedar.com).

Outlook

“Looking to 2019 and beyond, we continue to be confident that we will maintain our progress toward our long-term growth targets and operational plans,” added Mr. Bulbuck. “We continue to add locations in new markets and expand in markets where we have a presence today. Our people initiatives are starting to have some impact and the ongoing investments we are making in technology, equipment and training position us well for continued operational execution. However, we continue to be constrained by a shortage of technicians. In terms of future growth, our strong balance sheet, along with over \$300 million in dry powder will allow us to continue to add new locations, grow market share and deliver shareholder value.”

2018 Fourth Quarter Conference Call & Webcast

Management will hold a conference call on Thursday, March 21, 2019, at 10:00 a.m. (ET) to review the Fund’s 2018 fourth quarter results. You can join the call by dialing 888-231-8191 or 647-427-7450. A live audio webcast of the conference call will be available through www.boydgroup.com. An archived replay of the webcast will be available for 90 days. A taped replay of the conference call will also be available until Thursday, March 28, 2019, at midnight by calling 1-855-859-2056 or 416-849-0833, reference number 8162128.

About The Boyd Group Income Fund

The Boyd Group Income Fund is an unincorporated, open-ended mutual fund trust created for the purposes of acquiring and holding certain investments, including a majority interest in The Boyd Group Inc. and its subsidiaries. The Boyd Group Income Fund units trade on the Toronto Stock Exchange (TSX) under the symbol BYD.UN. For more information on The Boyd Group Inc. or Boyd Group Income Fund, please visit our website at <http://www.boydgroup.com>.

About The Boyd Group Inc.

The Boyd Group Inc. (the "Company"), directly and through subsidiaries, is one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. The Company operates locations in five Canadian provinces under the trade name Boyd Autobody & Glass (<http://boydautobody.com>) and Assured Automotive (<http://www.assuredauto.ca>), as well as in 27 U.S. states under the trade name Gerber Collision & Glass (<http://www.gerbercollision.com>). The Company uses newly acquired brand names during a transition period until acquired locations have been rebranded. The Company is also a major retail auto glass operator in the U.S. with locations across 34 U.S. states under the trade names Gerber Collision & Glass, Glass America, Auto Glass Service, Auto Glass Authority and Autoglassonly.com. The Company also operates a third party administrator, Gerber National Claims Services ("GNCS"), that offers glass, emergency roadside and first notice of loss services. GNCS has approximately 5,500 affiliated glass provider locations and 4,600 affiliated emergency roadside services providers throughout the U.S. For more information on The Boyd Group Inc. or Boyd Group Income Fund, please visit our website at (<http://www.boydgroup.com>).

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Caution concerning forward-looking statements

Statements made in this press release, 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. Factors that could cause results to vary include, but are not limited to: dependence upon The Boyd Group Inc. and its Subsidiaries; operational performance; acquisition risk; employee relations and staffing; brand management and reputation; market environment change; reliance on technology; foreign currency risk; loss of key customers; decline in number of insurance claims; margin pressure and sales mix changes; weather conditions; competition; access to capital; dependence on key personnel; tax position risk; quality of corporate governance; economic downturn; increased government regulation and tax risk; environmental, health and safety risk; fluctuations in operating results and seasonality; risk of litigation; execution on new strategies; insurance risk; cash distributions not guaranteed; unitholder limited liability is subject to contractual and statutory assurances that may have some enforcement risks; real estate management; interest rates; U.S. health care costs and workers compensation claims; low capture rates; energy costs; capital expenditures; and the Fund’s success in anticipating and managing the foregoing risks.

We caution that the foregoing list of factors is not exhaustive and that when reviewing our 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 of Operating Results and Financial Position and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.