**Attention Business/Financial Editors:**

**AutoCanada Income Fund releases financial results for the reporting period ended September 30, 2007:**

A conference call to discuss third quarter results will be held on Tuesday, November 13, 2007 at 1:00 p.m. MST, 3:00 p.m. EST. To participate in the conference call, please dial 1-866-249-1964 or 416-644-3419 approximately 10 minutes prior to the call. A live and archived audio webcast of the conference call will also be available on the Fund's website www.autocan.ca.

EDMONTON, Alberta, (November 12, 2007) AutoCanada Income Fund (the "Fund") (TSX: ACQ.UN) today announced financial results for the three-month period ended September 30, 2007.

**Third Quarter 2007 Operating Highlights**

- Revenue increased by 20.6%
- Gross profit increased by 21.0%
- Same store revenue increased by 5.9%
- Same store gross profit increased by 4.0%
- EBITDA increased by 19.4%

In commenting on the results of the past quarter Patrick Priestner, AutoCanada's founder and Chief Executive Officer commented that "We are very pleased to report our 6th strong quarter in a row. We anticipate that we will have a strong finish to the year as a result of recently announced pricing incentives by the manufacturers that has resulted in reducing the pricing disparity between Canada and the United States."

Mr. Priestner further noted that "We are pleased that we continue to see growth from our existing stores."

**Third Quarter 2007 Summary**

- For the third quarter of 2007, the Fund generated standardized distributable cash of $0.294 per unit and adjusted distributable cash of $0.365 per unit, and declared distributions of $0.250 per unit, for a standardized payout ratio of 84.9% and an adjusted payout ratio of 68.5%.

- Revenue from all dealerships increased by 20.6% to $229.0 million in the third quarter of 2007 from $189.9 million in the same quarter in 2006.

- Gross profit from all dealerships increased by 21.0% to $37.3 million in the third quarter of 2007 from $30.8 million in the same quarter in 2006.

- Same store revenue and gross profit increased by 5.9% and 4.0% respectively in the third quarter of 2007, compared to the same quarter in 2006.

- EBITDA increased by 19.4% to $7.6 million in the third quarter of 2007 from $6.4 million in the same quarter in 2006.

- Net earnings increased by 18.2% to $6.2 million in the third quarter of 2007 from $5.2 million in the same quarter in 2006.

- On July 13, 2007, the Fund announced that it had entered into credit and management agreements with CAG to finance the opening of a Nissan Dealership Open Point in Prince George, British Columbia called "Northland Nissan". The Northland Nissan Dealership commenced operations on August 31, 2007 in a temporary facility with a two vehicle showroom and four service bays. The dealership is anticipated to be relocated to a new facility in the 4th quarter of 2008 which shall be designed to Nissan Canada Inc. image standards and shall provide for an eight vehicle showroom and ten service bays.

## Highlights of Events Subsequent to September 30, 2007

- On November 5, 2007, AutoCanada Income Fund announced that it has signed a Letter of Understanding with Mitsubishi Motor Sales of Canada Inc. which, subject to completion of the application process, awards to the Fund a Mitsubishi open point dealership in Prince George, British Columbia. The new dealership will be owned by the Fund and carry on business under the name of Northland Mitsubishi. The Fund intends to operate the dealership out of a new facility, anticipated to be completed by fourth quarter, 2008, and which shall be designed to Mitsubishi Motor Sales of Canada Inc. image design standards. The approximately 7,000 sq. ft. facility shall provide for a three vehicle showroom, and five service bays.

## Distributable Cash and Cash Distributions

The Fund's policy is to distribute annually to Unitholders available cash provided by operations after cash required for capital expenditures, working capital reserves, growth capital reserves and other reserves considered advisable by the Trustees of the Fund. The policy allows the Fund to make stable monthly distributions to its Unitholders based on the Fund's estimate of distributable cash for the year. The Fund pays cash distributions on or about the 15th of each month to Unitholders of record on the last business day of the previous month.

The following table summarizes the distributions declared by the Fund for the period from January 1, 2007 to September 30, 2007.

**(In thousands of dollars)**

| | | Fund Units | | Exchangeable Units | | Total | |
|---|---|---|---|---|---|---|---|
| **Record date** | **Payment date** | **Declared** | **Paid** | **Declared** | **Paid** | **Declared** | **Paid** |
| | | **$** | **$** | **$** | **$** | **$** | **$** |
| January 31, 2007 | February 15, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| February 28, 2007 | March 15, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| March 31, 2007 | April 16, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| April 30, 2007 | May 15, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| May 31, 2007 | June 15, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| June 29, 2007 | July 16, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| July 31, 2007 | August 15, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| August 31, 2007 | September 17, 2007 | 912 | 912 | 775 | 775 | 1,687 | 1,687 |
| September 28, 2007 | October 15, 2007 (1) | 912 | - | 775 | - | 1,687 | - |
| | | 8,208 | 7,296 | 6,975 | 6,200 | 15,183 | 13,496 |

(1) Distributions payable to all Unitholders in the amount of $1,687 as at September 30, 2007 were paid in October, 2007.

Distributions are paid on Fund Units and Exchangeable Units. As of September 30, 2007 the following numbers of units were outstanding:

| | |
|---|---|
| Fund Units | 10,949,500 |
| Exchangeable Units | 9,307,500 |
| | 20,257,000 |

During the three-month and nine-month periods ended September 30, 2007, the Fund declared distributions of $0.250 and $0.750 respectively per Fund Unit and Exchangeable Unit to Unitholders. The distributions in the period ended September 30, 2007 were funded from cash flow generated from operations. The Fund's IPO prospectus contemplated an initial distribution of $0.0564 per unit for the month of May, 2006 and thereafter monthly distributions of $0.0833 per unit or $1 per year in aggregate. The Fund reviews its distribution policy on a periodic basis.

For information purposes, the Fund has also provided a compilation of results for the year ended December 31, 2006, combining financial results for the period from May 11, 2006 to December 31, 2006 with selected unaudited results of operations of Canada One Auto Group ("CAG"), the Fund's predecessor for the period from January 1, 2006 to May 10, 2006.

References to "standardized distributable cash" and ''adjusted distributable cash" are to cash flow provided by operating activities available for distribution to Unitholders' in accordance with the distribution policies of the Fund. Standardized distributable cash and adjusted distributable cash of the Fund are measures generally used by Canadian open-ended trusts as an indicator of financial performance. As two of the factors that may be considered relevant by prospective investors is the cash distributed by the Fund relative to the price of the Units, management believes that standardized distributable cash and adjusted distributable cash of the Fund are useful supplemental measures that may assist prospective investors in assessing an investment in the Fund. Standardized distributable cash is calculated as cash flows from operating activities, including the effects of changes in non-cash working capital, less total capital expenditures. Adjusted distributable cash is calculated as cash flows provided by operating activities before changes in non-cash working capital, less purchases of non-growth property and equipment.

References to “standardized payout ratio” represent a comparison of distributions declared to standardized distributable cash. References to “adjusted payout ratio” represent a comparison of distributions declared to adjusted distributable cash. Management believes that both standardized payout ratio and adjusted payout ratio are indicators of the Fund’s conservatism and its ability to continue to make distributions to unitholders at current rates.

## SELECTED FINANCIAL INFORMATION AND RESULTS FROM OPERATIONS

The following table shows the unaudited results of: Combined results of CAG and the Fund for the three-month period ended June 30, 2006, results of the Fund for the 51-day period ended June 30, 2006, the three-month period ended September 30, 2006, the three-month period ended December 31, 2006, the audited results of the Fund from May 11, 2006 to December 31, 2006, the unaudited results for the three-month period ended March 31, 2007, the three-month period ended June 30, 2007, and the three-month period ended September 30, 2007. The results of operations for these periods are not necessarily indicative of the results of operations to be expected in any given comparable period.

| (In thousands of dollars except Operating Data and gross profit %) | The Fund & CAG | The Fund | The Fund | The Fund | The Fund | The Fund | The Fund | The Fund |
|---|---|---|---|---|---|---|---|---|
| | Q2 2006 | Q2 2006 | Q3 2006 | Q4 2006 | 2006 | Q1 2007 | Q2 2007 | Q3 2007 |
| **Income Statement Data** | | | | | | | | |
| Revenue | 184,680 | 105,992 | 189,861 | 176,079 | 471,932 | 194,379 | 214,711 | 229,014 |
| New vehicles | 102,431 | 59,044 | 106,424 | 98,970 | 264,438 | 109,862 | 117,204 | 133,853 |
| Used vehicles | 53,546 | 30,487 | 53,897 | 46,425 | 130,809 | 53,020 | 62,389 | 59,114 |
| Parts, service & collision repair | 18,738 | 10,734 | 19,632 | 21,410 | 51,776 | 21,908 | 23,228 | 23,142 |
| Finance, insurance & other | 9,965 | 5,727 | 9,908 | 9,274 | 24,909 | 9,590 | 11,890 | 12,905 |
| Gross profit | 29,265 | 17,775 | 30,818 | 28,930 | 77,523 | 31,292 | 36,777 | 37,301 |
| New vehicles | 6,782 | 4,190 | 6,792 | 6,998 | 17,980 | 7,000 | 8,312 | 9,024 |
| Used vehicles | 4,766 | 3,294 | 5,563 | 3,614 | 12,471 | 4,914 | 6,082 | 4,943 |
| Parts, service & collision repair | 8,712 | 5,014 | 8,721 | 9,514 | 23,249 | 10,223 | 11,305 | 11,267 |
| Finance, insurance & other | 9,005 | 5,277 | 9,742 | 8,804 | 23,823 | 9,155 | 11,078 | 12,067 |
| Gross profit % | 15.8% | 16.8% | 16.2% | 16.4% | 16.4% | 16.1% | 17.1% | 16.3% |
| Sales, general & admin expenses | 21,469 | 12,245 | 22,481 | 21,682 | 56,408 | 23,634 | 27,522 | 26,905 |
| Floorplan interest expense | 2,153 | 1,256 | 1,854 | 2,085 | 5,195 | 2,069 | 2,414 | 2,679 |
| Other interest & bank charges | 93 | 24 | 117 | 405 | 546 | 316 | 326 | 312 |
| Future income taxes | - | - | - | - | - | - | 19,107 | 443 |
| Net earnings (1) (5) | 4,761 | 3,631 | 5,220 | 3,623 | 12,474 | 4,483 | (13,362) | 6,168 |
| EBITDA (2) (5) | 5,547 | 4,249 | 6,366 | 4,906 | 15,521 | 5,424 | 6,743 | 7,600 |
| **Operating Data** | | | | | | | | |
| Vehicles (new and used) sold | 5,068 | 3,023 | 5,369 | 4,690 | 13,082 | 5,440 | 6,089 | 6,404 |
| New retail vehicles sold | 2,465 | 1,515 | 2,741 | 2,199 | 6,455 | 2,295 | 2,866 | 3,344 |
| New fleet vehicles sold | 372 | 211 | 371 | 525 | 1,107 | 886 | 535 | 543 |
| Used retail vehicles sold | 2,231 | 1,297 | 2,257 | 1,966 | 5,520 | 2,259 | 2,688 | 2,517 |
| Number of service & collision repair orders completed | 57,372 | 32,565 | 54,345 | 55,393 | 142,303 | 57,876 | 58,157 | 58,138 |
| Absorption rate (3) | 95% | n/a | 97% | 96% | 94% | 92% | 94% | 104% |
| # of dealerships | 14 | 14 | 14 | 16 | 16 | 17 | 18 | 19 |
| # of service bays at period end | 223 | 223 | 223 | 245 | 245 | 250 | 256 | 260 |
| Same store revenue growth(4) | 5% | n/a | 3.8% | 10.4% | n/a | 24.1% | 6.6% | 5.9% |
| Same store gross profit growth(4) | 21% | n/a | 12.5% | 6.3% | n/a | 20.1% | 13.4% | 4.0% |
| **Balance Sheet Data** | | | | | | | | |
| Cash and cash equivalents | 20,271 | 20,271 | 20,265 | 20,880 | 20,880 | 24,268 | 21,077 | 20,179 |
| Accounts receivable | 25,875 | 25,875 | 30,562 | 27,742 | 27,742 | 31,200 | 35,980 | 39,940 |
| Inventories | 145,888 | 145,888 | 101,252 | 112,680 | 112,680 | 117,034 | 132,814 | 147,419 |
| Revolving floorplan facilities | 146,283 | 146,283 | 103,297 | 113,357 | 113,357 | 118,974 | 133,731 | 152,390 |

(1) Net earnings for CAG from January 1, 2006 to May 10, 2006 are net earnings as defined by GAAP plus income taxes, stock-based compensation and shareholder bonuses (including the performance component related to dealership management's compensation) to be consistent with the results of the Fund from May 11, 2006 to December 31, 2006.

(2) EBITDA has been calculated as described under "Non-GAAP Measures" above. EBITDA for CAG is defined under "Non-GAAP Measures" with the exception that to facilitate comparison to the Fund we have added stock-based compensation and shareholder bonuses (including the performance component related to dealership management's compensation) expensed by CAG.

(3) Absorption has been calculated as described under "Non-GAAP Measures" above.

(4) Same store revenue growth & same store gross profit growth is calculated using franchised automobile dealerships that we have owned for at least 2 full years.

(5) The results from operations have been lower in the first and fourth quarters of each year, largely due to consumer purchasing patterns during the holiday season, inclement weather and the reduced number of business days during the holiday season. As a result, our financial performance is generally not as strong during the first and fourth quarters than during the other quarters of each fiscal year. The timing of acquisitions may also cause substantial fluctuations in operating results from quarter to quarter.

The following table summarizes the results for the three-month and nine-month periods ended September 30, 2007 on a same store basis by revenue source for the nine dealerships that were owned and operated for all of 2006 and 2005 and compares these results to the results of these stores for the same period in 2006.

### Same Store Gross Profit and Gross Profit Percentage

| | For the Three Months Ended | | | | | | For the Nine Months Ended | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross Profit | | | Gross Profit % | | | Gross Profit | | | Gross Profit % | | |
| (In thousands of dollars except % change and gross profit %) | Sept. 30, 2007 | Sept. 30, 2006 | % Change | Sept. 30, 2007 | Sept. 30, 2006 | % Change | Sept. 30, 2007 | Sept. 30, 2006 | % Change | Sept. 30, 2007 | Sept. 30, 2006 | % Change |
| **Revenue Source** | | | | | | | | | | | | |
| New vehicles | 5,450 | 4,896 | 11.3% | 6.8% | 6.6% | 0.2% | 15,333 | 12,889 | 19.0% | 6.8% | 6.6% | 0.2% |
| Used vehicles | 2,615 | 3,458 | (24.4)% | 7.4% | 9.9% | (2.5)% | 8,645 | 8,673 | (0.3)% | 8.2% | 8.7% | (0.5)% |
| Parts, service & collision repair | 7,104 | 6,186 | 14.8% | 46.3% | 43.5% | 2.8% | 21,578 | 18,335 | 17.7% | 47.1% | 45.0% | 2.1% |
| Finance, insurance & other | 7,274 | 7,045 | 3.2% | 94.2% | 96.3% | (2.1)% | 20,388 | 18,561 | 9.8% | 95.1% | 95.9% | (0.8)% |
| **Total** | 22,443 | 21,585 | 4.0% | 16.3% | 16.6% | (0.3)% | 65,944 | 58,458 | 12.8% | 16.6% | 16.5% | 0.1% |

## About AutoCanada

The Fund commenced business operations on May 11, 2006, when it completed an initial public offering (the “IPO”) of 10,209,500 trust units (“Fund Units”), at a price of $10 per unit, for aggregate gross proceeds of $102,095,000. Concurrent with the closing of the IPO, the Fund used the proceeds from the IPO to acquire an indirect 50.4% interest in AutoCanada Limited Partnership (“AutoCanada LP”) and AutoCanada LP used such net proceeds to acquire the net assets (the “Purchased Assets”) of Canada One Auto Group. On May 31, 2006, as a result of the exercise of the over allotment option granted to underwriters, the Fund acquired a further 3.65% interest in the Purchased Assets and thus increased its total interest in the Purchased Assets to 54.05%.

AutoCanada is Canada’s only publicly traded entity with interests exclusively in the operation of franchised automobile dealerships. Through its 54% interest in AutoCanada LP, it operates or manages 19 franchised automobile dealerships in six provinces and has over 940 employees. It currently sells various new vehicle brands, including Chrysler, Dodge, Jeep®, Hyundai, Mitsubishi, Subaru, and, through managed dealerships, Nissan. In 2006, its franchised automobile dealerships sold approximately 19,350 vehicles and processed approximately 215,000 service and collision repair orders in 245 service bays, generating revenue of approximately $694 million.

## Forward Looking Statements

Certain statements contained on this website include statements which contain words such as “anticipate”, “expect”, “estimate”, “could”, “should”, “expect”, “plan”, “seek”, “may”, “intend”, “likely”, “will”, “believe” and similar expressions, statements relating to matters that are not historical facts, and such statements of the beliefs, intentions and expectations of AutoCanada about development, results and events which will or may occur in the future, constitute “forward-looking information” within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by AutoCanada and derived from experience and perceptions. Forward-looking information on this website includes, but is not limited to: trends and developments in the automotive industry; business strategies and outlooks; expansion and growth of business and operations; and anticipated acquisitions.

All such forward-looking information is based on certain assumptions and analyses made by AutoCanada in light of management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors AutoCanada believes are appropriate in the circumstances. The risks, uncertainties, and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; changes in applicable environmental, taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; operating risks; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; increased competition; stock market volatility; opportunities available to or pursued by AutoCanada; the ability to obtain financing as and when needed; and other factors, many of which are beyond the control of AutoCanada. The foregoing factors are not exhaustive and are further discussed in AutoCanada's final prospectus dated May 3, 2006 and the Fund's Annual Information Form dated March 22, 2007 both of which are filed on SEDAR at www.sedar.com.

Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits will be derived therefrom. Except as required by applicable law, AutoCanada disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained on this website are expressly qualified by this cautionary statement.

**Non-GAAP Measures**

References to "EBITDA" are to earnings before interest expense (other than interest expense on floorplan financing and other interest), income taxes, depreciation and amortization. Management believes that, in addition to earnings or loss, EBITDA is a useful supplemental measure of both performance and cash available for distribution before debt service, changes in working capital, capital expenditures and income taxes.

References to "standardized distributable cash" and ''adjusted distributable cash" are to cash flow provided by operating activities available for distribution to Unitholders' in accordance with the distribution policies of the Fund. Standardized distributable cash and adjusted distributable cash of the Fund are measures generally used by Canadian open-ended trusts as an indicator of financial performance. As two of the factors that may be considered relevant by prospective investors is the cash distributed by the Fund relative to the price of the Units, management believes that standardized distributable cash and adjusted distributable cash of the Fund are useful supplemental measures that may assist prospective investors in assessing an investment in the Fund. Standardized distributable cash is calculated as cash flows from operating activities, including the effects of changes in non-cash working capital, less total capital expenditures. Adjusted distributable cash is calculated as cash flows provided by operating activities before changes in non-cash working capital, less purchases of non-growth property and equipment.

References to "standardized payout ratio" represent a comparison of distributions declared to standardized distributable cash. References to "adjusted payout ratio" represent a comparison of distributions declared to adjusted distributable cash. Management believes that both standardized payout ratio and adjusted payout ratio are indicators of the Fund's conservatism and its ability to continue to make distributions to unitholders at current rates.

EBITDA, standardized distributable cash, adjusted distributable cash, standardized payout ratio and adjusted payout ratio are not earnings measures recognized by GAAP and do not have standardized meanings prescribed by GAAP. Investors are cautioned that EBITDA, standardized distributable cash, adjusted distributable cash, standardized payout ratio and adjusted payout ratio should not replace net earnings or loss (as determined in accordance with GAAP) as an indicator of the Fund's performance, of its cash flows from operating, investing and financing activities or as a measure of its liquidity and cash flows. The Fund's methods of calculating EBITDA, adjusted distributable cash, and adjusted payout ratio may differ from the methods used by other issuers. Therefore, the Fund's EBITDA, adjusted distributable cash, and adjusted payout ratio may not be comparable to similar measures presented by other issuers. For a reconciliation of adjusted distributable cash to standardized distributable cash, please see "Adjusted Distributable Cash" below.

References to ''absorption rate'' are to the ratio of gross profits of a franchised automobile dealership from parts, service and collision repair to the fixed operating costs of the dealership. For this purpose, fixed operating costs include fixed salaries and benefits, administration costs, occupancy costs, insurance expense, utilities expense and interest expense (other than interest expense relating to floor plan financing) of the dealerships only and do not include expenses pertaining to head office. Absorption rate is an operating measure commonly used in the retail automotive industry as an indicator of the performance of the parts, service and collision repair operations of a franchised automobile dealership. Absorption rate is not a measure recognized by GAAP and does not have a standardized meaning prescribed by GAAP. Therefore, absorption rate may not be comparable to similar measures presented by other issuers that operate in the retail automotive industry.

Additional information about AutoCanada Income Fund is available at the Fund's website at www.autocan.ca, our Annual Information Form dated March 22, 2007, and www.sedar.com.

For further information contact:

Tom Orysiuk, CA

*Executive Vice-President and Chief Financial Officer*

Phone: (780) 732-3139 Email: torysiuk@autocan.ca

# AutoCanada Income Fund

Interim Consolidated Balance Sheet

(expressed in Canadian dollar thousands)

| | *September 30, 2007 (unaudited)* | *December 31, 2006* |
|---|---|---|
| **ASSETS** | $ | **$** |
| **Current assets** | | |
| Cash and cash equivalents | 20,179 | 20,880 |
| Restricted cash | 4,104 | 3,476 |
| Accounts receivable | 39,940 | 27,742 |
| Inventories (note 5) | 147,419 | 112,680 |
| Due from vendors | - | 2,640 |
| Prepaid expenses | 1,447 | 1,419 |
| | 213,089 | 168,837 |
| **Property & equipment** | 11,639 | 11,839 |
| **Intangible assets** | 79,956 | 79,034 |
| **Goodwill** | 82,501 | 78,744 |
| **Other assets** | 78 | 78 |
| | 387,263 | 338,532 |
| **LIABILITIES** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities | 26,000 | 23,521 |
| Revolving floorplan facilities (note 6) | 152,390 | 113,357 |
| Distributions payable (note 10) | 1,687 | 1,687 |
| Due to related parties | 99 | - |
| Current portion of long-term debt (note 7) | 214 | 96 |
| Current portion of obligation under capital lease | 75 | 72 |
| | 180,465 | 138,733 |
| **Long-term debt** (note 7) | 10,443 | 5,535 |
| **Obligation under capital lease** | 235 | 240 |
| **Future income taxes** (note 12) | 19,550 | - |
| | 210,693 | 144,508 |
| **Contingencies** (note 8) | | |
| **UNITHOLDERS' EQUITY** | | |
| **Fund units** (note 9 (a) and (b)) | 105,200 | 105,200 |
| **Exchangeable units** (note 9(c)) | 88,847 | 88,847 |
| **Contributed surplus** (note 9(d)) | 895 | 455 |
| **Accumulated other comprehensive income** | - | - |
| **Deficit** | (18,372) | (478) |
| | 176,570 | 194,024 |
| | 387,263 | 338,532 |

# AutoCanada Income Fund

Interim Consolidated Statement of Operations, Comprehensive Income and Retained Earnings (Deficit)

(expressed in Canadian dollar thousands except unit and per unit amounts)

| | *Three Months Ended September 30, 2007 (unaudited)* | *Three Months Ended September 30, 2006 (unaudited)* | *Nine Months ended September 30, 2007 (unaudited)* | *Period from May 11, 2006 to September 30, 2006 (unaudited)* |
|---|---|---|---|---|
| | **$** | **$** | **$** | **$** |
| **Revenue** | | | | |
| Vehicles | 205,269 | 169,492 | 568,024 | 264,389 |
| Parts, service and collision repair | 23,141 | 19,969 | 68,277 | 30,703 |
| Other | 604 | 400 | 1,803 | 761 |
| | 229,014 | 189,861 | 638,104 | 295,853 |
| **Cost of sales** | 191,713 | 159,043 | 532,734 | 247,260 |
| **Gross profit** | 37,301 | 30,818 | 105,370 | 48,593 |
| **Expenses** | | | | |
| Selling, general and administrative | 26,905 | 22,481 | 78,061 | 34,727 |
| Interest | 2,991 | 1,971 | 8,116 | 3,251 |
| Amortization | 794 | 1,146 | 2,354 | 1,764 |
| | 30,690 | 25,598 | 88,531 | 39,742 |
| **Net earnings before income taxes** | 6,611 | 5,220 | 16,839 | 8,851 |
| **Future income taxes** (note 12) | 443 | - | 19,550 | - |
| **Net earnings (loss) & comprehensive income for the period** (note 2(b)) | 6,168 | 5,220 | (2,711) | 8,851 |
| **Retained earnings (deficit), beginning of period** | (19,479) | 801 | (478) | - |
| Distributions declared (note 10) | (5,061) | (5,061) | (15,183) | (7,891) |
| **Retained earnings (deficit), end of period** | (18,372) | 960 | (18,372) | 960 |
| **Earnings (loss) per unit** | | | | |
| Basic | 0.305 | 0.257 | (0.134) | 0.437 |
| Diluted | 0.303 | 0.256 | (0.134) | 0.435 |
| **Weighted average units** | | | | |
| Basic | 20,257,000 | 20,257,000 | 20,257,000 | 20,257,000 |
| Diluted | 20,363,365 | 20,389,447 | 20,321,817 | 20,361,807 |

# AutoCanada Income Fund

Interim Consolidated Statement of Cash Flows

(expressed in Canadian dollar thousands)

| | *Three Months Ended September 30, 2007 (unaudited)* | *Three Months Ended September 30, 2006 (unaudited)* | *Nine Months ended September 30, 2007 (unaudited)* | *Period from May 11, 2006 to September 30, 2006 (unaudited)* |
|---|---|---|---|---|
| | **$** | **$** | **$** | **$** |
| **Cash provided by (used in)** | | | | |
| **Operating activities** | | | | |
| Net earnings (loss) for the period | 6,168 | 5,220 | (2,711) | 8,851 |
| Items not affecting cash | | | | |
| Future income taxes (note 12) | 443 | - | 19,550 | - |
| Unit-based compensation (note 9(d)) | 120 | 188 | 440 | 292 |
| Amortization | 794 | 1,146 | 2,354 | 1,764 |
| Gain on disposal of property & equipment | (13) | (29) | (3) | (34) |
| | 7,512 | 6,525 | 19,630 | 10,873 |
| Net change in non-cash operating working capital balances | (1,026) | (2,291) | (2,247) | 10,315 |
| | 6,486 | 4,234 | 17,383 | 21,188 |
| **Investing activities** | | | | |
| Business acquisitions (note 3) | - | - | - | (88,647) |
| Investment in variable interest entity (note 4) | - | - | (4,727) | - |
| Purchase of property & equipment | (525) | (417) | (2,629) | (540) |
| Proceeds on sale of property & equipment | 30 | 77 | 123 | 89 |
| Restricted cash | (831) | 842 | (628) | 498 |
| | (1,326) | 502 | (7,861) | (88,600) |
| **Financing activities** | | | | |
| Net proceeds from issuance of units (note 3) | - | - | | 93,572 |
| Proceeds from long-term debt | 1,096 | 358 | 7,251 | 358 |
| Repayment of long-term debt | (2,075) | (27) | (2,225) | (27) |
| Repayment of obligation under capital lease | (18) | (12) | (66) | (22) |
| Distributions paid to Unitholders | (5,061) | (5,061) | (15,183) | (6,204) |
| | (6,058) | (4,742) | (10,223) | 87,677 |
| **Increase (decrease) in cash** | (898) | (6) | (701) | 20,265 |
| **Cash and cash equivalents, beginning of period** | 21,077 | 20,271 | 20,880 | - |
| **Cash and cash equivalents, end of period** | 20,179 | 20,265 | 20,179 | 20,265 |
| **Supplementary information** | | | | |
| Cash interest paid | 2,908 | 2,273 | 8,135 | 3,414 |
| Transfer of inventory to property & equipment | 238 | 755 | 1,156 | 1,065 |
| Transfer of property & equipment to inventory | 445 | 434 | 1,593 | 667 |