the BRICK GROUP INCOME FUND

News Release

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The Brick Group Reports Second Quarter 2010 Results

Strong quarterly results add to a record first half for the Fund

Edmonton, Alberta – August 5, 2010 – The Brick Group Income Fund (TSX: BRK.UN) (the "Brick Group") today announced its second quarter and first half year 2010 financial results for the period ended June 30, 2010. Financial statements and Management's Discussion and Analysis are available on the Brick Group's website at www.thebrickgroup.ca and on SEDAR.

Second Quarter 2010 Summary

- Same store sales grew 26.4% over Q2 2009
- Consolidated sales & operating revenue increased 27.6% to $326.3 million
- Gross margin rates increased to 41.7% from 40.9% in Q2 2009
- EBITDA increased to $16.3 million from negative $7.7 million. Q2 2010 includes $1.2 million non-cash expenses related to newly introduced stock-based compensation plans. Excluding the new expenses, EBITDA would be $17.5 million, surpassing the previous second quarter EBITDA record set in 2008.
- Net income totaled $6.2 million, up from a net loss of $146.4 million (Q2 2009 net loss included non-cash charges of $128.2 million)
- Cash and cash equivalents at June 30, 2010 were $24.1 million and no borrowings were outstanding for the third consecutive quarter end
- Subsequent to the end of the second quarter, the last remaining inventory supplier letter of credit of $4 million was cancelled
- Also subsequent to the end of the second quarter, the Asset-Based Credit Facility was renegotiated to provide more favourable terms and rates

First Half 2010 Summary

- Same store sales grew 17.3% over the first half of 2009
- Consolidated sales & operating revenue increased 20.0% to $632.5 million
- Gross margin rates increased to 42.5% from 40.7% in the first half 2009
- EBITDA of $30.2 million is the highest reported result for the first half year in history of the Brick Group
- Net Income totaled $8.8 million, up from a net loss of $175.7 million (the first half of 2009 net loss included non-cash charges of $148.4 million)

"I am very pleased with the Brick Group's second quarter and year to date 2010 financial results," said Bill Gregson, President and Chief Executive Officer. "Achieving the highest EBITDA result in the Group's history for the first half of the year provides reinforcement that we have completed our recovery."

Second quarter 2010 same store sales growth was 26.4% higher than the same quarter in the prior year. As of June 30, same-store sales have increased for seven consecutive months.

Gross margin percentage increased to 41.7% of revenue from 40.9% in the second quarter last year. The improvement resulted from higher profitability in furniture sales, increased early payment discounts, increased revenue from product delivery to customers and easing of credit markets, which reduced Brick Card retail financing fees.

"The Brick's improvement in revenues and margins over the past year resulted in a substantial turnaround in operating income, which is reflected in the significant increase in consolidated EBITDA," added Mr. Gregson.

For the remainder of 2010, management's focus remains on organic growth through improved same store sales, an enhanced customer service model, investments in both information systems and supply chain and cost control.

Additionally, the Brick Group has TSX approval to proceed with a normal course issuer bid (NCIB) to repurchase warrants or units and can do so without drawing against our credit facility. For further details, refer to the statement concerning the NCIB released today, August 5, 2010.

Results Summary

	For the three months ended June 30				For the six months ended June 30			
(000's of $ except %, and store amounts)	**2010**	**2009**	**$ Increase (Decrease)**	**% Increase (Decrease)**	**2010**	**2009**	**$ Increase (Decrease)**	**% Increase (Decrease)**
Retail Segment - Sales and operating revenue	**$ 305,229**	$ 237,558	67,671	28.5%	**$ 591,799**	$ 491,714	100,085	20.4%
Financial Services Segment - Sales and operating revenue	**21,045**	18,116	2,929	16.2%	**40,723**	35,559	5,164	14.5%
Consolidated - Sales and operating revenue	**326,274**	255,674	70,600	27.6%	**632,522**	527,273	105,249	20.0%
Franchise sales [1]	**37,253**	27,872	9,381	33.7%	**75,302**	60,112	15,190	25.3%
Consolidated sales and operating revenue and franchise sales [1]	**$ 363,527**	$ 283,546	79,981	28.2%	**$ 707,824**	$ 587,385	120,439	20.5%
Same Store Sales Growth (corporate stores)	***26.4%***	*-33.0%*			***17.3%***	*-27.6%*		
Same Store Sales Growth (corporate and franchise stores)	***26.1%***	*-32.4%*			***17.1%***	*-27.1%*		
Retail Segment - EBITDA	**$ 6,199**	$ (16,487)	22,686	137.6%	**$ 10,297**	$ (27,980)	38,277	136.8%
Financial Services Segment - EBITDA	**10,075**	8,833	1,242	14.1%	**19,915**	17,896	2,019	11.3%
Consolidated - EBITDA	**$ 16,274**	$ (7,654)	23,928	312.6%	**$ 30,212**	$ (10,084)	40,296	399.6%
EBITDA as a percentage of sales and operating revenue	***5.0%***	*-3.0%*			***4.8%***	*-1.9%*		
Retail Segment - Net loss [2]	**$ (3,645)**	$ (155,223)	151,578	97.7%	**$ (10,778)**	$ (193,598)	182,820	94.4%
Financial Services Segment - Net income	**9,866**	8,856	1,010	11.4%	**19,556**	17,881	1,675	9.4%
Consolidated - Net income (loss) [2]	**$ 6,220**	$ (146,367)	152,587	104.2%	**$ 8,778**	$ (175,717)	184,495	105.0%
Cash provided by operating activities before changes in non-cash working capital items	***13,028***	***(13,479)***	26,507	196.7%	***23,241***	*(16,057)*	39,298	244.7%
Stores at period end	**236**	233			**236**	233		

(1) In this table, franchise sales figures refer to sales occurring at franchise stores which are not included in the sales and operating revenue figures presented in The Brick Group Income Fund's consolidated financial statements, or in the corporate same store sales figures presented in this table.

(2) Second quarter net income for 2009 includes goodwill and brand intangible asset impairment charges of $133,459 recorded in the retail segment *(first quarter 2009: brand intangible asset impairment charges of $25,000 recorded in the retail segment)* .

Second Quarter and Year to Date 2010 Operating Results

Consolidated and franchise sales and operating revenue during the second quarter totalled $363.5 million, representing an increase of 28.2% over the same period last year. Same store sales growth for both corporate and franchise outlets was 26.1% compared to negative 32.4% in 2009.

Consolidated sales and operating revenue totalled $326.3 million, an increase of $70.6 million or 27.6% compared to the second quarter last year.

Sales at franchise stores increased by 33.7% to $37.3 million, and same store sales growth was 23.2%, compared to the second quarter last year.

Sales and operating revenue increased by 28.5% in the retail segment to $305.3 million, and gained 16.2% in the financial services segment to $21.0 million. In the retail segment, second quarter same store sales growth improved to 26.4% compared to negative 33.0% in the same quarter of 2009. Same store sales trended positively during each of the three months ended June 30, 2010, gaining 20.1%, 24.2% and 34.8% from March 2010 onward.

Selling, general and administrative expenses (SG&A) were an area of attention and continued to be closely managed during the second quarter. These outlays were reduced to 36.7% of sales from 44.0% in the same period of 2009.

Consolidated EBITDA totalled $16.3 million, or $23.9 million higher than the same quarter of 2009. Q2 2010 includes $1.2 million non-cash expenses related to newly introduced stock-based compensation plans. Excluding the new expenses, EBITDA would be $17.5 million, surpassing the previous second quarter EBITDA record set in 2008. EBITDA increased by $1.2 million to $10.1 million in the financial services segment, and gained $22.7 million to $6.2 million in the retail segment.

The quarter ended with $6.2 million in net income, versus a loss of $146.4 million in the second quarter of 2009. (The net loss in 2009 included non-cash goodwill and brand intangible asset impairment charges of $133.5 million, $10.0 million related future income tax recovery, $3.0 million loss on debt extinguishment, and $1.7 million in non-cash capital asset impairment charges).

For the first six months 2010, consolidated and franchise sales and operating revenues totalled $707.8 million, representing an increase of 20.5% over the same period last year. Same store sales growth for both corporate and franchise outlets was 17.1% compared to negative 27.1% in 2009.

Consolidated sales and operating revenue totalled $632.5 million, an increase of $105.2 million or 20.0% compared to the same six months last year.

Sales and operating revenue increased by 20.4% in the retail segment to $591.8 million, and gained 14.5% in the financial services segment to $40.7 million. In the retail segment, the first half same store sales growth improved to 17.3% compared to negative 27.6% in the same period in 2009.

Selling, general and administrative expenses (SG&A) were an area of attention and were closely managed in the first half of 2010. These outlays were reduced to 37.8% of sales from 42.7% in the same period of 2009.

At June 30, 2010, the Brick Group's current assets exceeded current liabilities by $64.4 million, with no funds drawn under its asset-backed credit facility and $71.0 million in available borrowing capacity. As of August 5, 2010 the asset-backed credit facility remained undrawn.

Conference Call and Webcast

The Brick Group will host its second quarter 2010 investor call at 9:00 am Eastern Time (7:00 am Alberta Time) on Friday, August 6, 2010. The call can be accessed by calling (647) 427-7450 or (888) 231-8191. A listen-only webcast will be available at www.newswire.ca/en/webcast/viewEvent.cgi?eventID=3154360.
A telephone replay of the call will be available until midnight Eastern time on August 12, 2010. To access it, dial 416-849-0833 or 1-800-642-1687 and enter passcode 88959806.

About the Brick Group

The Brick Group, together with its subsidiaries, is one of Canada's largest volume retailers of household furniture, mattresses, appliances and home electronics, operating under five banners: The Brick, United Furniture Warehouse, The Brick Superstore, The Brick Mattress Store, and Urban Brick. In addition, through its corporate sales division, the Brick Group services the subdivision, condominium, and high-rise builder market. The Brick Group's retail operations are located in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Prince Edward Island, Nova Scotia, New Brunswick and Yukon.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable Canadian securities laws, including (but not limited to) statements about the Brick's consolidated sales and operating revenue, consolidated EBITDA, consolidated net loss, sales and operating revenue in the financial services and retail segments, same store sales growth and goodwill and indefinite life intangible asset impairment charges, the financial flexibility and capital resources necessary to manage the business in the current economic environment, and similar statements concerning anticipated future events, results, circumstances, performance or expectations, that reflect management's current expectations and are based on information currently available to management of the Brick and its subsidiaries. The words "may", "will", "should", "believe", "expect", "plan", "anticipate", "intend", "estimate", "predict", "potential", "continue" or the negative of these terms, or other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters, identify forward-looking matters. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Brick to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. The Brick undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

Non-GAAP Financial Measures

Adjusted results, EBITDA, reported EBITDA and adjusted EBITDA are not earnings measures recognized by GAAP and do not have standardized meanings prescribed by GAAP. Therefore, adjusted results, EBITDA, reported EBITDA and adjusted EBITDA may not be comparable to similar measures presented by other issuers. Investors are cautioned that adjusted results, EBITDA, reported EBITDA and adjusted EBITDA should not be construed as alternatives to net income as determined in accordance with GAAP, as indicators of performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows.

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