



October 2011

Carfinco Income Fund

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Carfinco is a leading provider of vehicle financing to Canadian consumers unable to obtain financing from more traditional lending sources. The company offers specialized products that generate attractive returns, while focusing on customers with "C" and "D" credit typically due to impaired or limited credit histories. The company utilizes its network of over 1,300 automobile dealers to originate loans under programs designed by Carfinco to purchase loans from its dealers at discounts ranging from 2% to more than 20%. Operating across all ten Canadian provinces has resulted in a geographically diverse portfolio with 58% and 42% of its loans derived from Western and Eastern Canada, respectively.

Highlights

- Targets an annual 20% loan portfolio growth
- Board of trustees intends to maintain a 3 cent per month cash distribution/dividend in 2011 & beyond
- Nine consecutive quarters of record pre-tax net earnings
- Large management and board ownership aligns the interest with unitholders
- Pre-tax earnings for Q2 2011 were \$5.8 million, up 24.3% from the \$4.6 million for Q2 2010
- Earnings per fund unit for Q2 2011 was 17 cents
- Return on unitholder's equity for Q2 2011 on an annualized basis was 56.3%
- Unitholder's equity increased 8.3% to \$31.7 million in Q2

Capital Structure

Units Issued

Insiders:	6,752,869
Public:	17,859,027
Total issued:	24,611,896
Fully diluted:	24,645,230

No unit option plan or warrants

Origination & Portfolio Growth

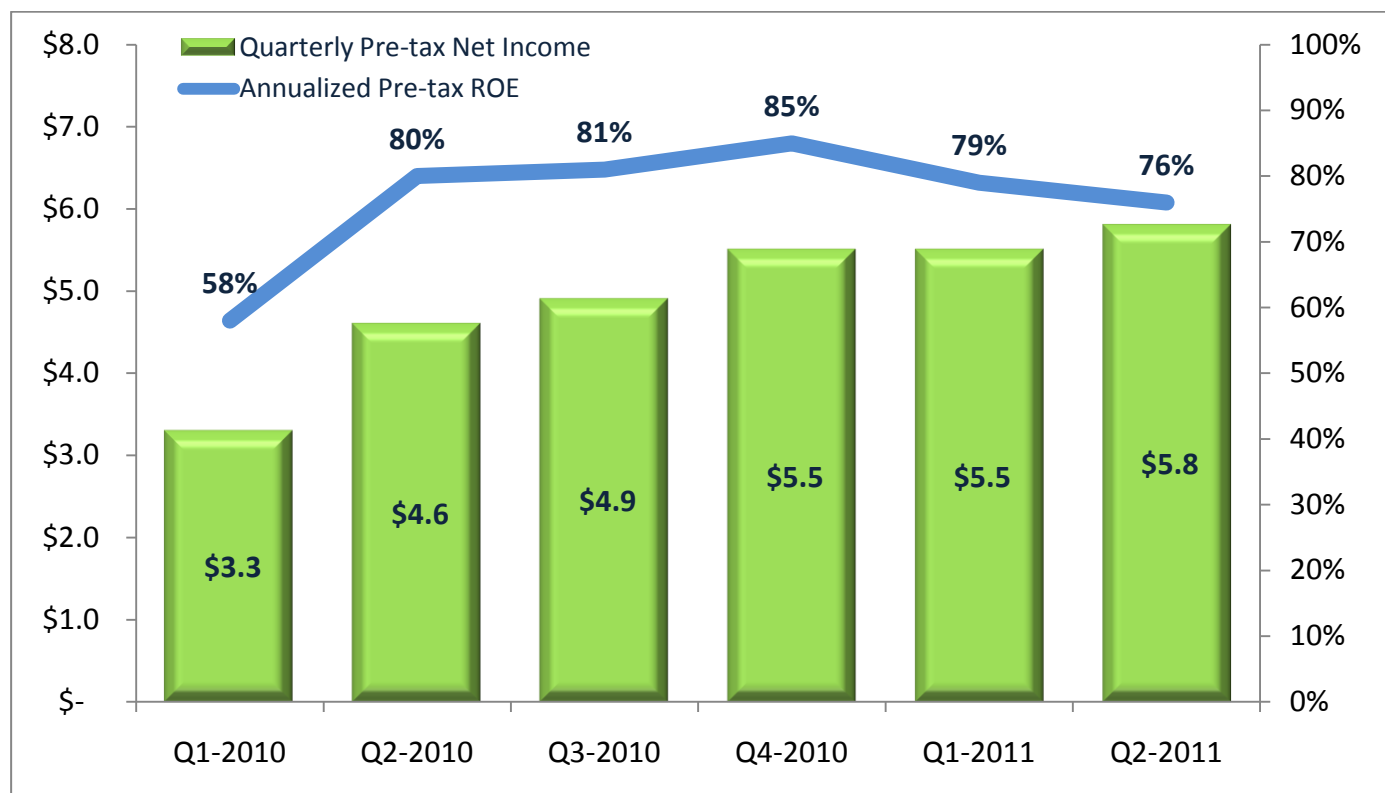


Competitive Position Customer Rating

TD	A+ to C-
Scotia	A+ to C-
Rifco	B+ to C-
Carfinco	C- to D-

The automotive non-prime market is estimated to be \$4 billion.

Quarterly Pre-tax Net Income and ROE



Management

Tracy Graf – President & CEO

Troy Graf – COO

Stephen Dykau - CFO

Board of Trustees

Tracy Graf – President & CEO

David Prussky – Director, Patuca Securities Ltd

David Rosenkrantz – Director, Patuca Securities Ltd

J. Daryl MacLellan – Past President, CIT Canada

Brent Channell – Partner, Spartan Fund Management

Maurice Kagan – President, Sparkle Solutions Income Fund

Simon Serruya – COO, Yogen Früz International Inc.

Investor Relations

For more information on Carfinco, contact The Howard Group at 403-221-0915 or visit us online at www.howardgroupinc.com



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