FOR IMMEDIATE RELEASE: Tuesday, October 28, 2008

PARKLAND REPORTS THIRD QUARTER FINANCIAL RESULTS and ANNOUNCES NORMAL COURSE ISSUER BID

Third Quarter 2008 Performance Highlights:

- Record fuel sales volume of 608 million litres, up 11% from 549 million litres the prior year.
- Record Q3 2008 sales of $734 million, up 52% from $483 million the prior year.
- EBITDA of $19.9 million, down 23% from $25.8 million in 2007 but up from $19 million in Q2.
- Distribution payout ratio 78% for the quarter and 91% year to date.
- Board authorization to initiate Normal Course Issuer Bid
- Third major growth step in 2008 – acquisition of new Esso retail branded distributorship accounts in Alberta and Ontario.

Red Deer, October 28, 2008 – Parkland Income Fund (TSX:PKI.UN) today announced its business performance for the third quarter of 2008 and the nine months ended September 30, 2008. Volume and revenue achieved record levels for the quarter, while earnings before interest, taxes, depreciation and amortization (EBITDA) was lower for Q3 2008 compared to the same period a year earlier.

Parkland also announced that its Board of Directors has authorized an application for a Normal Course Issuer Bid (NCIB) to buy back units of the Fund for cancellation. The NCIB will be established in accordance with rules of the TSX and is subject to approval by the TSX. The Fund expects to provide further detail on the NCIB in November.

President and CEO Mike Chorlton said, "Margins in the third quarter improved relative to the first half of 2008 due to prevailing North American and local supply and demand conditions pushing up refiners' margins. Despite record sales volume and strong margins, EBITDA declined in the third quarter of 2008 compared with a year earlier primarily due to losses in FIFO inventory value rising from declining petroleum product prices. During this period of extreme volatility in the capital markets, Parkland is focused on reducing discretionary expenditures and driving operational efficiency to conserve cash and maximize our flexibility."

Distributable cash exceeded cash distributions in the third quarter and for the nine month period ended September 30, 2008. Accordingly, we have maintained our monthly distribution rate of $0.105 per unit.

Outlook

Four weeks into the fourth quarter of 2008, retail fuel sales volumes remain similar to the prior year and retail margins remain strong compared to the prior year in spite of entering the cold weather season when demand for gasoline is typically weaker.

Diesel demand is strong and refinery production problems have caused shortages of supply, which in turn have kept margins higher than previous years.

Refiners' margins for gasoline have declined from September levels but remain stronger than they were in the first half of 2008.

Subsequent to the end of the third quarter we entered into agreements to increase the number of accounts in our Esso retail branded distributorship business. We are adding 40 dealers in Ontario and Alberta with an anticipated annual volume of 200 million litres of gasoline and diesel.

Fuel Volumes

Gasoline, diesel and propane volumes were strong with total sales of 608 million litres in the quarter ended September 30, 2008, an increase of 11% from 549 million litres for the same period in 2007. The increase resulted from the acquisitions completed over the past year. At the retail level, same-store fuel sales volumes increased approximately three percent over the prior year in our company operated and controlled sites but decreased approximately three percent in the independent dealer network.

Margins

In addition to the retail margins for gasoline and diesel, we participate in the refiners' margins for a significant portion of our supply volumes. In the third quarter this participation yielded earnings slightly below the comparative period in 2007 but greater than the first half of 2008.

Under the FIFO cost method of valuing inventories, we recorded a reduction in fuel margins of $6.3 million ($0.8 million in 2007) in the third quarter compared to the LIFO method used prior to 2007. For the nine months to September 30, 2008 we have recorded a gain of $3.1 million ($3.8 million in 2007).

Our operating and direct costs were $21.4 million in the third quarter compared to $17.6 million for the same period in 2007. The increase reflects the full year effect of our acquired businesses as well as higher store operating costs such as labor, credit card costs and loyalty program costs. Competitive promotional activity has caused us to respond with higher expenditures in this area as well.

Our marketing, general and administrative expenses were $10.3 million in the third quarter compared to $10.9 million for the same period in 2007. Higher labor costs were offset by reclassification of some expense categories into operating and direct costs.

A comparison of EBITDA for the third quarter of 2008 with the third quarter of 2007, as well as graphs of historic refiners' margins, are available online at http://files.newswire.ca/714/parklandQ3.pdf

Termination of Beaver Hills Project

Over the course of the past year we participated in a feasibility study to assess the viability of building a condensate-based refinery in Edmonton. In the fourth quarter a decision was reached by the partners in the study to terminate the project. In the fourth quarter we expect to write off approximately $1.3 million which we had advanced in 2007 for our share of the study.

SUMMARY FINANCIAL RESULTS
For the three months ended September 30, 2008

Thousands of Canadian dollars, except per Unit amounts and fuel volumes	Q3 2008	Nine months	Q3 2007	Nine months	Q3 % Change	Nine months % Change
Revenue	734,090	1,823,595	482,895	1,241,529	52	47
Net earnings[1]	13,050	34,288	31,451	70,515	(58)	(51)
Net earnings per Unit[1]	0.26	0.68	0.63	1.42	(59)	(52)
Average number of Units	50,356		48,456			
EBITDA[2]	19,927	56,137	25,765	97,133	(23)	(43)
Distributable cash flow per Unit	0.41	1.04	0.63	1.68	(35)	(38)
Distributions per Unit	0.31	0.94	0.28	0.78	11	21
Fuel sales volumes (millions of litres)	608	1,689	549	1,447	11	17

[1] Certain year-earlier numbers have been restated as a result of Parkland's early adoption of the new CICA standards on inventories to record the cost of inventory using the First In, First Out method.

[2] EBITDA, which is not a financial measure under Generally Accepted Accounting Principles (GAAP), refers to Earnings Before Interest on Long-Term Debt, Income Tax Expense, Amortization of Capital Assets, Refinery Remediation Accrual and Loss on Disposal of Capital Assets. It can be calculated from the GAAP amounts included in the Fund's financial statements and a table reconciling net income in accordance with GAAP to EBITDA is included in the Management's Discussion and Analysis (MD&A). Management believes that EBITDA is a relevant measure to users of its financial information as it provides an indication of pre-tax earnings available to distribute to debt and equity holders in the Fund. The Fund's definition of EBITDA may not be consistent with other providers of financial information and therefore may not be comparable.

The MD&A as well as the complete unaudited interim Consolidated Financial Statements and notes for the third quarter of 2008 are available online at http://files.newswire.ca/714/ParklandMDA.pdf .

Fund Description

Parkland Income Fund currently operates retail and wholesale fuels and convenience store businesses under its Fas Gas Plus, Fas Gas, Race Trac Fuels and Short Stop Food Stores brands and through independent branded dealers, and transports fuel and other products through its Distribution division. With approximately 585 locations, Parkland has developed a strong market niche in Canadian non-urban markets focused in the West and Ontario. The Fund supplies propane, bulk fuel, heating oil, lubricants, industrial fluids, agricultural inputs and associated services to commercial and industrial customers in Alberta, British Columbia and the Yukon Territory under the Neufeld, Joy, United Petroleum and Great Northern Oil brands. Additionally, Parkland operates the Bowden refinery near Red Deer, Alberta as a storage and contract-processing site.

Parkland is focused on creating and delivering value for its unitholders through the continuous refinement of its site portfolio, increasing revenue diversification through growth in non-fuel revenues and active supply chain management.

The Fund's units trade on the Toronto Stock Exchange (TSX) under the symbol PKI.UN. For more information, visit www.parkland.ca.

Certain information included herein is forward-looking. Forward-looking statements include, without limitation, statements regarding the future financial position, business strategy, budgets, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving Parkland. Many of these statements can be identified by looking for words such as "believe", "expects", "expected", "will", "intends", "projects", "projected", "anticipates", "estimates", "continues", or similar words and include but are not limited to, statements regarding the accretive effects of the acquisition and the anticipated benefits of the acquisition. Parkland believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties some of which are described in the Fund's annual report, annual information form and other continuous disclosure documents. Such forward-looking statements necessarily involve known and unknown risks and uncertainties and other factors, which may cause the Fund's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general economic, market and business conditions; industry capacity; competitive action by other companies; refining and marketing margins; the ability of suppliers to meet commitments; actions by governmental authorities including increases in taxes; changes in environmental and other regulations; and other factors, many of which are beyond the control of Parkland. Any forward-looking statements are made as of the date hereof and the Fund does not undertake any obligation, except as required under applicable law, to publicly update or revise such statements to reflect new information, subsequent or otherwise.

Conference Call

Parkland will hold a conference call for Analysts, Brokers and Investors to discuss third quarter results as follows:

Wednesday, October 29, 2008, 9:00 a.m. (11:00 a.m. Eastern Time)
Direct: 416-644-3425
Toll-free: 800-731-5319
Passcode: 21285998 followed by the pound sign

The replay will be available as follows:

From Wednesday, October 29, 2008, 9:00 a.m. (11:00 a.m. Eastern Time)
To Wednesday, November 12, 2008 at 9:59 p.m. (11:59 p.m. Eastern Time)
Direct: 416-640-1917
Toll-free: 877-289-8525
Passcode: 21285998 followed by the pound sign

Webcast

http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2442880

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For further information:

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