



It all connects.

BFI Canada Income Fund
Investor Presentation
April 11, 2006





Forward-Looking Statements

Our remarks and answers to your questions today may contain forward-looking statements relating to the Fund's operations or to the environment in which it operates, which are based on the Fund's operations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, or are beyond the Fund's control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. These factors include those set forth in the Fund's Annual Information Form for the period ended December 31, 2004.

Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, the Fund cannot assure unit holders that actual results will be consistent with these forward looking statements, and the Fund disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We also do not commit in any way to guarantee that we will continue reporting on items or issues that arise either during our presentation or in the discussion that we hope will follow.



Business Profile



- Solid waste collection – 60
- Transfer stations – 25
- Recycling facilities – 13
- Landfills – 22

One of North America's largest solid waste management companies





Systematic Growth Through Acquisitions

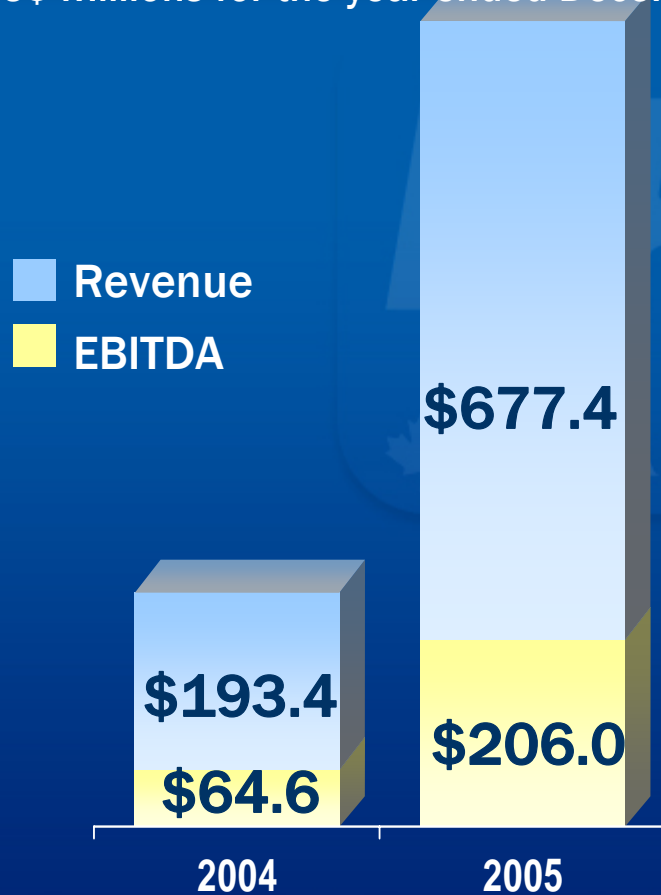
| | |
|-------------|---|
| 2000 | Allied Assets |
| 2001 | Selected collection assets in London, ON |
| 2002 | Enterprise Sanitaire F.A. |
| 2003 | Selected collection assets in various markets including: - Vancouver, Montreal and Calgary |
| 2004 | Twin Oaks in Hamilton, ON CDS in Toronto, ON |
| 2005 | Ridge Landfill, Chatham, ON IESI Corporation of Fort Worth, Texas |





2005 Highlights

(C\$ millions for the year ended December 31)

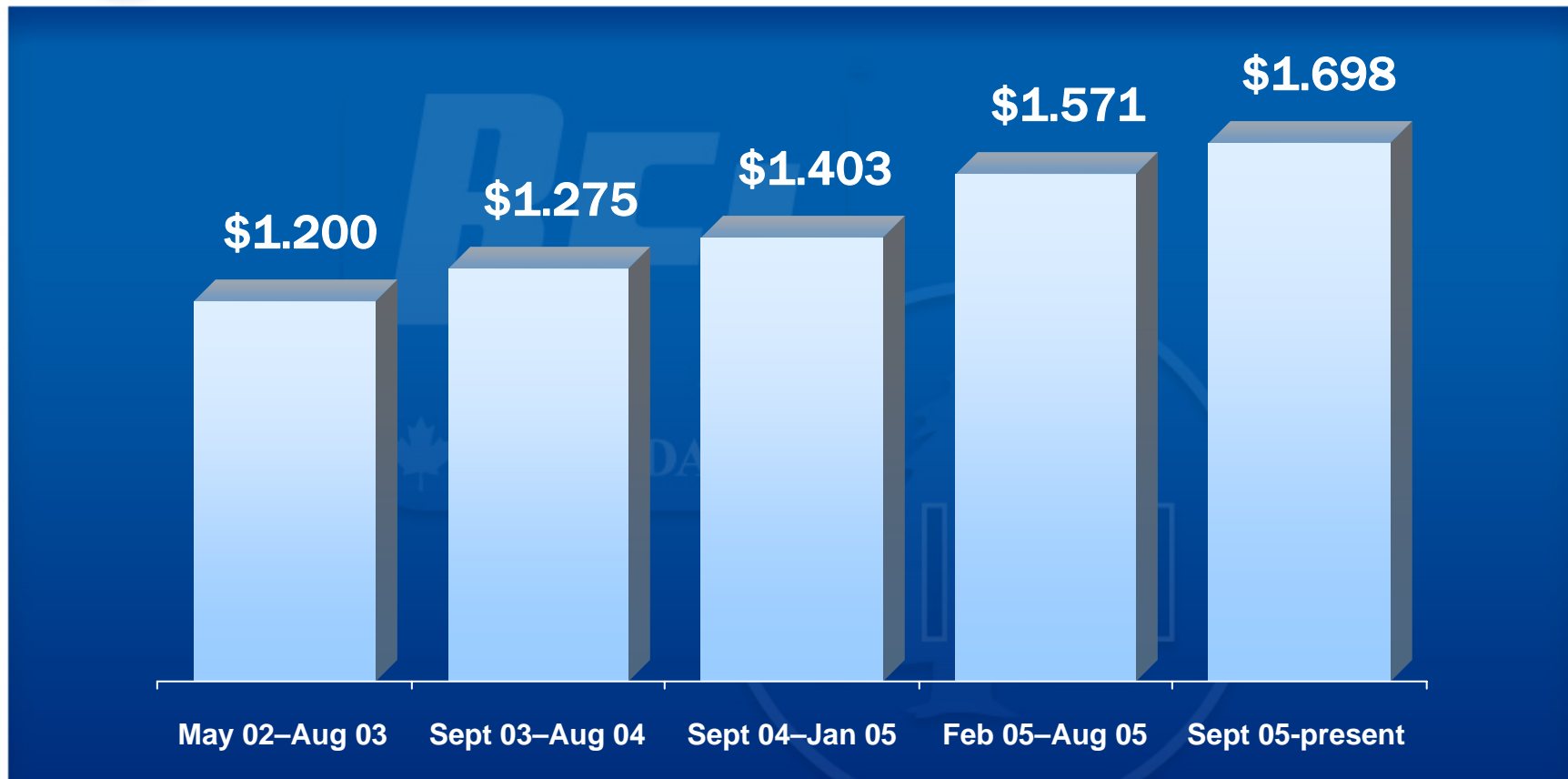


- 250.3% revenue growth
- 219.1% EBITDA growth
 - 224.3% excluding one-time or non-recurring SG&A expenses
- Organic growth (excluding fuel surcharges):
 - 9.9% - Canadian segment
 - 6.4% - U.S. segment





Annualized Distribution Per Unit



Payout ratio maintained below 90% since IPO



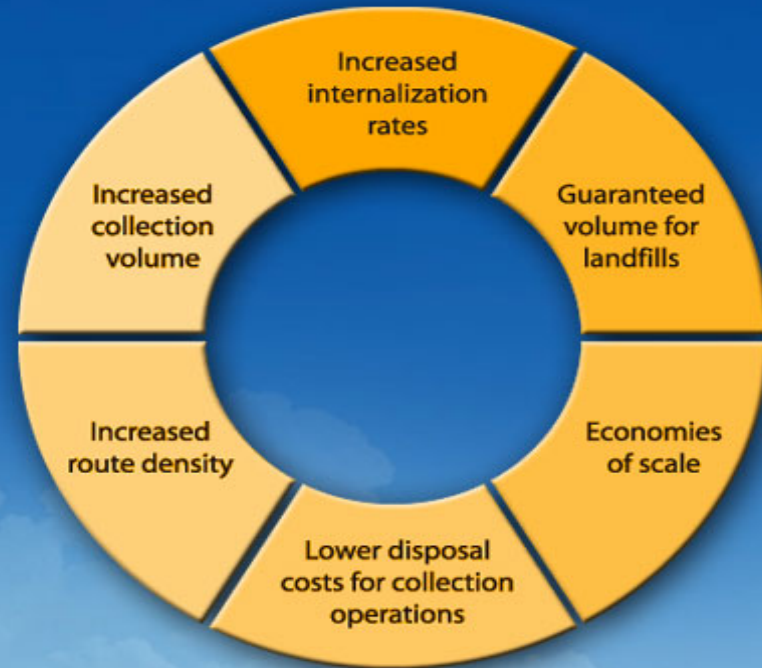
Primary Objective: Increase Free Cash Flow





Market-Focused Strategies

- Weighted by market depending on leverage
- Seek to increase leverage through:
 - Organic addition of new customers
 - Tuck-in acquisitions
- Approximately 60% of landfill volumes generated internally





Role of Our Local Managers

- Teams trained to apply market-focused strategies
 - In relation to local economic and competitive conditions
- Key management metrics:
 - Return on assets
 - Time to payback





Looking Forward This Year

- Positive outlook
- Ability to pass on cost and price increases to customers this year mitigates effect of short-term interest rate hikes
- We will make acquisitions to drive organic improvement
 - Market-focused strategies dictate it
 - Opportunities for tuck-ins are huge
 - New market platform acquisition opportunities also possible
- However, we will remain focused on improving existing operations





Tom Cowee
Chief Financial Officer

It all connects.





Generating Customer Value

2, 3 and 5 year
customer
contracts

Most
automatically
renew

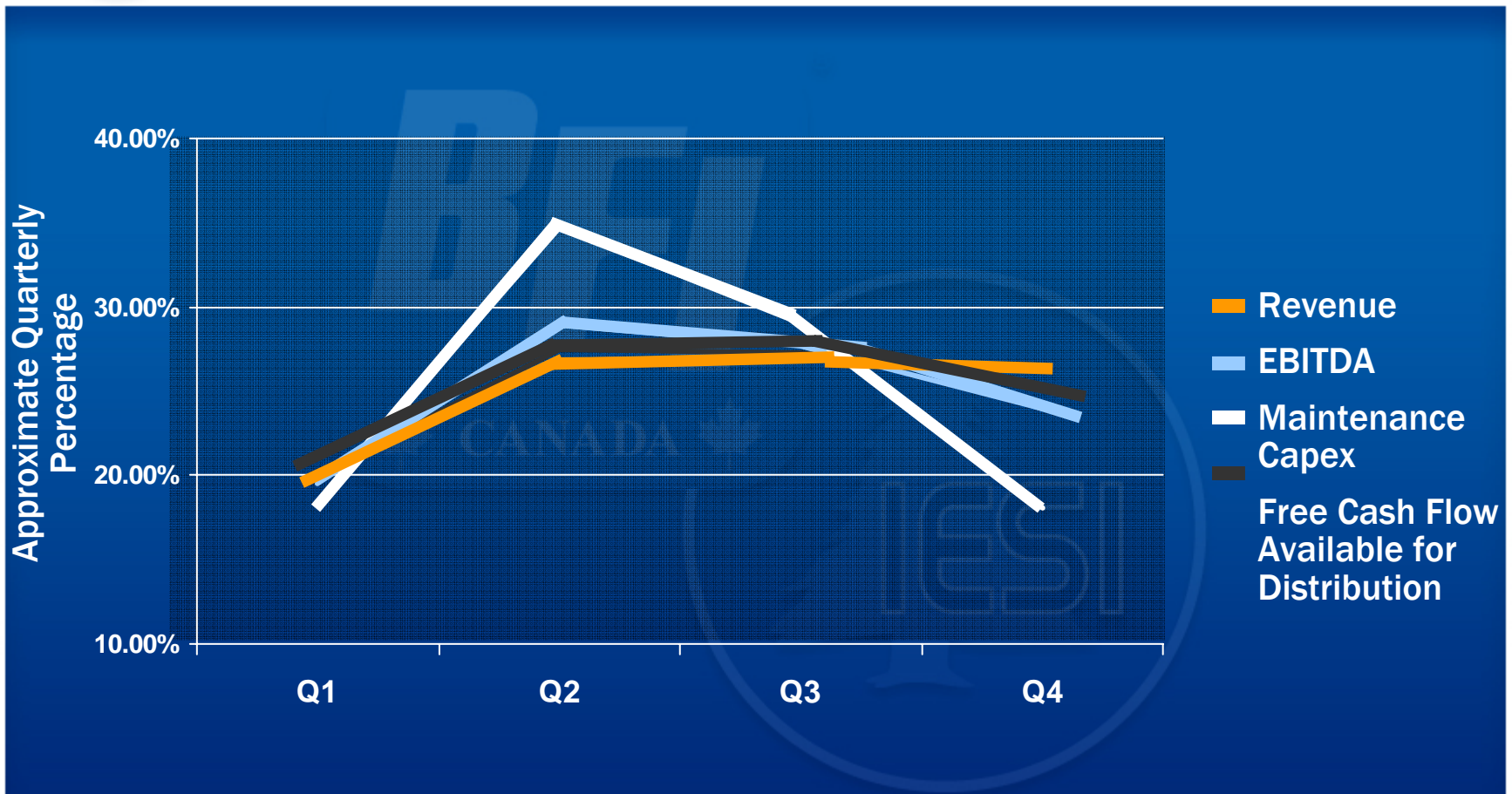
Through exceptional service, we enjoy

high retention rates and contract renewals





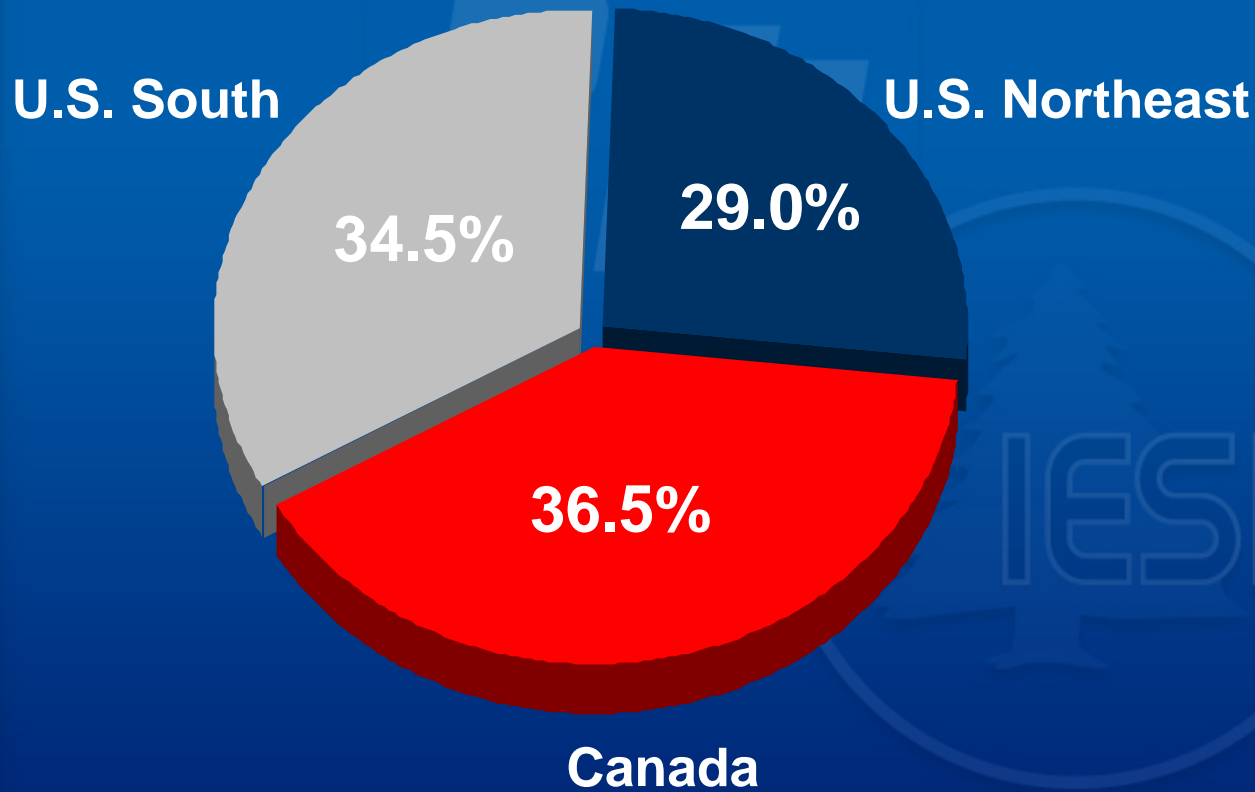
Seasonality Profile – 2005





Revenue Contribution by Region

For the year ended December 31, 2005





Free Cash Flow Available for Distribution

(C\$ millions for years ended December 31)



- 191.7% growth year-over-year

- Drivers

- Acquisitions
- Organic growth
- Higher interest expense
- Capex variance (timing-related)





Aggregate Distributions Declared

(C\$ millions for the year ended December 31, 2005)



- 194.6% growth year-over-year
- \$1.62 per weighted average trust unit and participating preferred share
- 85.8% payout ratio
 - Includes payout on subscription receipts while held in escrow





Capital Expenditures

(C\$ millions for the year ended 2005)

- Maintenance
- Growth



- Annual maintenance capex highly predictable
- But fluctuates quarter to quarter
- Maintenance capex target for 2006 of \$19-\$21 million for Canadian platforms and U.S.\$27-\$29 million for our U.S. platforms





Management of Foreign Exchange

- Entered three, 3-year single rate hedges
- Allows monthly purchase of \$4.5 million at \$1.22
- Hedges provide protection through February 2008
- Intend to periodically roll forward as they mature





A Sound Financial Position

- Total long-term debt at December 31, 2005: \$450 million
- Conservative leverage ratios of less than 2 and 2.5 times senior debt to EBITDA under Canadian and U.S. credit facilities respectively
- Flexibility for growth through:
 - US\$200 million revolver and C\$120 million revolver for working capital etc.
- Actively manage debt with interest rate swaps
 - 3 IESI agreements in January converted variable for fixed rates on \$75 million of U.S. \$185 million dollar term loan at rates ranging from 3.47% and 3.60% plus a credit spread
 - During second quarter, converted an additional \$40 million of term loan to fixed rates between 4.22% and 4.29% plus a credit spread
- IESI recently entered into a 30 year agreement for variable rate demand solid waste disposal revenue bonds (“IRBs”). The IRBs bear interest below LIBOR and are made available to a maximum of US 45 million to fund a portion of Seneca Meadows landfill construction and equipment expenditures.
- DBRS reaffirmed BFI Canada Holding’s series A and B senior secured debentures credit rating of “BBB” low stable
- S&P reaffirmed IESI’s term loan credit rating of “BB”





Summary

- Off to a strong start as one company
- Strong operating performance
- Integration of acquisitions successful
- Intensely focused on continuous improvement
- Solid credit metrics and conservative leverage profile
- Better potential than we've ever had

