

BTB

REAL ESTATE INVESTMENT TRUST

EXCELLENT QUARTER FOR BTB :

Higher occupancy rate and increase in distributable income

Montreal (Quebec) (August 17, 2009): "Our rental activity was strong during the quarter and we are pleased to report that we have renewed to date 70% of all the leases expiring in 2009, generating an average rental increase of 6.4%. Furthermore, we have leased 38,775 square feet of vacant space. This activity contributed to the increase in net operating income (NOI) of 3.7% on a comparable portfolio basis. In addition, we have begun the negotiation process of leases expiring next year. This demonstrates our clients' intention to remain in our buildings" said Mr. Michel Léonard, president and chief executive officer of BTB.

2009 SECOND QUARTER HIGHLIGHTS

- **DURING THE 2009 SECOND QUARTER:**
 - **INCREASE IN DISTRIBUTABLE INCOME TO 3.6¢ PER UNIT FOR A DISTRIBUTION OF 2.0¢ PER UNIT**
 - **INCREASE IN FFO TO 3.6¢ PER UNIT**
 - **INCREASE IN AFFO TO 4.1¢ PER UNIT**
 - **INCREASE IN EBTDA TO 3.8¢ PER UNIT**
- **INCREASE IN THE OCCUPANCY RATE BY 1.0%, TO 92.0%, AS OF JUNE 30, 2009**
- **AVERAGE RENT INCREASE OF 6.4% FOR LEASES SO FAR RENEWED IN 2009**
- **70% OF ALL LEASES EXPIRING IN 2009 HAVE BEEN RENEWED**
- **IN COMPARISON WITH THE SECOND QUARTER OF 2008:**
 - **INCREASE OF 7.9% IN OPERATING REVENUES**
 - **INCREASE OF 2.0% OF OPERATING REVENUES ON A SAME PROPERTY PORTFOLIO BASIS**
 - **INCREASE OF 9.2% IN NET OPERATING INCOME (NOI)**
 - **INCREASE OF 3.7% OF THE NOI ON A SAME PROPERTY PORTFOLIO BASIS**

BTB continued to increase operating revenues. In comparison with the corresponding quarter in 2008, operating revenues grew by 7.9% for the second quarter of 2009 and as compared to the same six-month period in 2008, the operating revenues grew by 17.1% for the six-month period ended June 30, 2009. Compared to the same quarter in 2008, revenues from the same-property portfolio increased by 2.0% during the second quarter of 2009, and by 3.0% for the six-month period ended on June 30, 2009. Our internal growth was generated from rental increases provided in leases, from increases due to lease renewals and from leasing vacant space.

BTB's net operating income is 58.3% of operating revenues for the second quarter of 2009 compared to 56.7% for the corresponding quarter in 2008. In comparison to the same periods during fiscal 2008, the net profit increased by 9.2% for the second quarter of 2009 and by 17.4% for the six-month period ended June 30, 2009.

In comparison with the corresponding periods of 2008, BTB increased its net operating income on a same property portfolio basis by 3.7% for the second quarter of 2009, and by 5.1% for the first six-month period of 2009.

For the period ended June 30, 2009, the Trust generated FFO of \$1.2 million covering the distribution paid by the Trust during the quarter, which totaled \$0.7 million. For the first six months of the year 2009, the Trust generated FFO of \$1.9 million, also covering the distributions paid in the amount of \$1.6 million for the same period.

The AFFO for the second quarter was \$1.3 million and was \$2.4 million for the six month period ended June 30, 2009.

Rental activity for the second quarter was very dynamic: to date, the Trust renewed 70% of all the leases expiring in 2009, with an average rental increase of 6.4%. In addition, the Trust leased some of its vacant space with the resulting increase in the occupancy rate by 1% during the quarter.

BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Balance Sheets
(Unaudited)

June 30, 2009, with comparative figures as of December 31, 2008
(in thousands of dollars)

	2009	2008
Assets		
Income-producing properties (note 3):		
Buildings	\$ 167,877	\$ 169,964
Land	41,516	41,516
Intangible assets	9,513	10,906
	218,906	222,386
Tangible fixed assets	42	41
Deferred charges and other assets (note 4)	2,090	1,906
Prepaid expenses	2,479	1,460
Accounts receivable (note 5)	1,431	1,566
Cash and cash equivalents	143	357
	\$ 225,091	\$ 227,716

Liabilities and unitholders' equity

Mortgage loans (note 6)	\$ 145,947	\$ 146,771
Convertible debentures (note 7)	23,078	22,621
Bank loans (note 8)	640	400
Accounts payable and accrued liabilities	5,707	5,139
Distributions payable to unitholders	226	445
	175,598	175,376
Unitholders' equity (note 9)	49,493	52,340
	\$ 225,091	\$ 227,716

See accompanying notes to unaudited interim consolidated financial statements.

Approved by the Board

Michel Léonard _____, Trustee

Jocelyn Proteau _____, Trustee

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BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Statement of Earnings
(Unaudited)

Three-month and six-month period ended June 30, 2009, with comparative figures for the three-month and six-month period ended June 30, 2008
(in thousands of dollars)

	Three-month period ending June 30,		Six-month period ending June 30,	
	2009	2008	2009	2008
Operating revenues:				
Rental revenue from income-producing properties	\$ 7,721	\$ 7,156	\$ 15,195	\$ 12,974
Operating expenses:				
Operating costs	1,326	1,271	2,641	2,301
Property taxes and utilities	1,896	1,766	3,938	3,333
	3,222	3,037	6,579	5,634
Operating income before the undernoted items	4,499	4,119	8,616	7,340
Interest on loans	2,617	2,445	5,291	4,360
Amortization of financing costs	185	217	373	327
Amortization of buildings and improvements	1,098	952	2,184	1,827
Amortization of intangible and other assets	564	490	1,086	918
Amortization of deferred leases cost	85	9	149	34
Interest accretion expenses on convertible debentures	106	96	207	160
Interest income	(3)	(4)	(5)	(25)
	4,652	4,205	9,285	7,601
Loss from real estate assets	153	86	669	261
Trust-related administrative expenses	373	451	623	662
Property management expenses	—	170	170	275
Unit-based compensation	6	16	12	34
Operating loss before income taxes and discontinued operations	532	723	1,474	1,232
Future income taxes (note 10)	—	(485)	(107)	(785)
Net loss and comprehensive income	\$ 532	\$ 238	\$ 1,367	\$ 447
Loss per unit basic and diluted (note 11)	\$ 0.016	\$ 0.007	\$ 0.041	\$ 0.014

See accompanying notes to unaudited interim consolidated financial statements.

BTB REAL ESTATE INVESTMENT TRUST

Interim Consolidated Statement of Cash Flows

(Unaudited)

Three-month and six-month period ended June 30, 2009, with comparative figures for the three-month and six-month period ended June 30, 2008
(in thousands of dollars)

	Three-month period ending June 30,		Six-month period ending June 30,	
	2009	2008	2009	2008
Cash flows from operating activities:				
Net loss	\$ (472)	\$ (238)	\$ (1,521)	\$ (447)
Net change in non-cash items:				
Amortization of income-producing properties and intangible items	1,655	1,437	3,259	2,739
Interest and accretion expense on convertible debentures	106	96	207	160
Amortization of deferred financing costs	185	217	374	327
Amortization of straight-line lease adjustment	(75)	(103)	(156)	(205)
Amortization of off market value attributable to leases	84	327	312	654
Amortization of deferred leases cost	85	9	149	34
Unit option-based compensation expenses	6	16	12	34
Property management expenses	41	170	188	275
Future income taxes	—	(485)	(107)	(785)
Amortization of fixed assets	7	5	11	6
	1,562	1,451	2,881	2,792
Net change in non-cash operating working capital items	(277)	(2,261)	(515)	(2,371)
	1,285	(810)	2,366	421
Cash flows from financing activities:				
Net proceeds from issuance of convertible debentures	—	—	—	11,825
Mortgage loans, net of financing costs	—	1,611	64	5,541
Reimbursement of mortgage loans	(510)	(400)	(989)	(722)
Bank loans	(200)	1,080	240	(2,240)
Net proceeds from issuance of units	—	—	—	18
Distributions to unitholders	(676)	(1,639)	(1,792)	(3,927)
	(1,386)	652	(2,477)	10,495
Cash flows from investing activities:				
Additions to income-producing properties	(91)	(252)	(91)	(16,939)
Additions to tangible fixed assets	(8)	(14)	(12)	(42)
	(99)	(266)	(103)	(16,981)
Net change in cash and cash equivalents	(200)	(424)	(214)	(6,065)
Cash and cash equivalents, beginning of period	343	529	357	6,170
Cash and cash equivalents, end of period	\$ 143	\$ 105	\$ 143	\$ 105

See accompanying notes to unaudited interim consolidated financial statements.