

Yellow Pages Income Fund Reports 2006 First Quarter Results

- Consolidated Adjusted Revenues and EBITDA both up approximately 70%
- Distributable cash grows by 12% per unit

Montreal (Québec), May 9, 2006 – Yellow Pages Income Fund (TSX: YLO.UN) released its first quarter results today, reporting significant growth in the financial performance of Yellow Pages Group (YPG) mainly due to the acquisition of Advertising Directory Solutions Holdings Inc. (ADS) completed almost a year ago, as well as strong organic growth.

Consolidated net earnings amounted to \$85.2 million for the first quarter, compared to \$63.7 million for the first quarter of 2005, representing a 34% increase. YPG reported income from operations of \$108.9 million for the quarter over \$76.1 million the prior year.

For the first quarter ended March 31, 2006, Adjusted Revenues¹ grew 73.5% to \$299.3 million and Adjusted EBITDA¹ grew by 69.2% to \$169.1 million compared to the corresponding periods last year. These results include approximately six-weeks of contribution from Trader Media Corporation (TMC) acquired on February 14, 2006. Online revenues almost doubled for the quarter to reach \$15.3 million from \$7.9 million a year ago.

YPG reported strong accretion to distributable cash resulting from the ADS acquisition being fully integrated. Distributable cash¹ increased by 62.3% in the first quarter to \$137.1 million. For the quarter distributable cash of \$0.28 per unit represented a 12% improvement over the first quarter of 2005. As previously announced, YPG increased its annualized rate of cash distributions during the quarter from \$0.96 to \$1.03 per unit, representing a 7.3% growth, which exceeds the Company's guidance level for growth in cash distributions for the year.

On a comparable basis, excluding the contribution from TMC and the results of our newly launched specialized guide, Adjusted Revenues increased by 6.9% over the same quarter last year, while Adjusted EBITDA was up 9.8%, reflecting the contribution from increased revenues and economic benefits realized from the full integration of the ADS business. On the same basis, the Adjusted EBITDA margin for the first quarter was 58.5% compared with 57.9% last year.

"We are seeing very positive momentum so far this year. Our management team continues to deliver with excellence as seen through the great momentum in our operating and financial metrics," stated Marc P. Tellier, President and CEO. "We also took important steps during the quarter to expand into related media, notably with the acquisition of Trader Media Corporation."

YPG has a strong financial condition, positioning it for future growth. As at March 31, 2006, cash and cash equivalents amounted to \$195 million and the Company's ratio of net-debt-to-EBITDA improved to 2.8 times.

Highlights of Annual Meeting of Unitholders

At the Company's Annual Meeting today in Montreal, Mr. Tellier reported on YPG's 2005 achievements which marked the fulfillment of management's objectives established at the time of the buy-out in November 2002. The year 2005 was also a truly defining moment in YPG's history with the acquisition of ADS. This highly strategic acquisition enabled YPG to create a national platform of print and online directories. The Company also continued to make considerable progress towards extending its product lines, such as the creation of a partnership with Transcontinental Media to develop specialized guides containing both editorial and directory content.

Looking forward, one of YPG's key objectives is to continue to expand the directory category. As such, organic growth initiatives remain high priority. Mr. Tellier also emphasized that YPG's external growth strategy remains the same, which is first to expand the geographic footprint of its core directory business. Second, YPG could also pursue opportunities in related media that will allow it to build upon its core competencies, namely its strong brands, comprehensive local content, long-standing relationships with advertisers, and growing online presence.

To that effect, Mr. Tellier discussed the Company's recent announcement to acquire Classified Media (Canada) Holdings Inc. (Trader Canada). The acquisition will result in the creation of a second national platform for YPG, this time in vertical media, by combining TMC's presence in Ontario to that of Trader Canada in the rest of the country. The transaction is expected to close on or about June 15, 2006, subject to regulatory clearance.

As part of its expansion strategy, the Company also reported the recent acquisition of 389 domain names that target a wide range of consumer categories from E-mail.ca, owner of one of Canada's largest dot-ca domain portfolios, for a purchase price of approximately \$2.5 million. The acquisition is comprised of some of the most attractive generic dot-ca domain names in Canada including: autos.ca, taxis.ca, attorneys.ca, doctors.ca, and maps.ca. "The acquisition of those domain names gives us the opportunity to build on our strong online positioning and extend our reach and relevance through popular vertical categories. The online search market is evolving rapidly and we are moving quickly to help ensure we are well positioned to grow our share of this market in Canada," said Mr. Tellier.

YPG's network of web sites, including TMC's 12 web sites, currently attracts 8.4 million unduplicated unique visitors on a monthly basis, and is the 6th most visited by online Canadians (Source: comScore Media Metrix Canada, March 2006).

About Yellow Pages Income Fund

Yellow Pages Income Fund is an unincorporated, open-ended, limited purpose trust established to invest in Yellow Pages Group. The Fund indirectly holds an approximate 96% ownership interest in Yellow Pages Group.

About Yellow Pages Group

Yellow Pages Group is Canada's largest telephone directories publisher. Yellow Pages Group publishes annually more than 330 Yellow Pages™ directories and alphabetical pages. The Company owns and manages Canada's most visited online directories YellowPages.ca™, Canada411.ca, as well as the CanadaPlus.ca, a network of seven local city sites. In addition, Yellow Pages Group is a leader in print and online vertical media in Ontario through Trader Media Corporation (TMC). TMC, Ontario's largest publisher of classified advertising and web sites, is an affiliate Yellow Pages Group. For more information about the Company, visit www.ypg.com.

Investor Conference Call

YPG will hold an analyst call at 2:30 p.m. (Eastern Time) on Tuesday, May 9, 2006 to discuss the first quarter results. The call may be accessed by dialling (416) 340-2216 within the Toronto area, or 1 866 898-9626 outside of Toronto. The call will be simultaneously webcast on the Company's web site at <http://www.ypg.com/page.php/en/1/345.html>.

The conference call will be archived in the Investor Center of the site at www.ypg.com. A playback of the call can also be accessed from May 9 to May 17 by dialling (416) 695-5800 from within the Toronto area, or 1 800 408-3053 outside Toronto. The conference pass-code is 3184633.

Caution Concerning Forward-Looking Statements

This press release contains forward-looking statements about the objectives, strategies, financial conditions, results of operations and businesses of YPG. These statements are forward-looking as they are based on our current expectations, as at May 9, 2006, about our business and the markets we operate in, and on various estimates and assumptions. Our actual results could materially differ from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that any forward-looking statement will materialize. Risks that could cause our results to differ materially from our current expectations are discussed in Section 8 of our May 9, 2006 Management's Discussion and Analysis. We disclaim any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

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Enclosure: Financial Highlights

Yellow Pages Income Fund	For the three-month periods ended March 31,	
	2006	2005
Revenues	\$295,770	\$170,849
Income from operations	108,870	76,077
Net earnings	85,233	63,704
Net earnings per unit	\$0.17	\$0.19
Adjusted Revenues ¹	\$299,345	\$172,531
Adjusted EBITDA ¹	169,098	99,918
Adjusted EBITDA margin	56.5%	57.9%
Distributable cash ¹	\$137,072	\$84,438
Weighted average number of units outstanding	487,118,171	344,221,790
Distributable cash per unit	\$0.28	\$0.25
Distributions declared	123,773	81,442
Distributions paid and payable per unit	\$0.25	\$0.24

¹Non-GAAP Measures

In order to provide a better understanding of the results, the Fund uses the term EBITDA (earnings before interest, taxes, depreciation and amortization). Management defines EBITDA as revenues less operating costs which represents income from operations before depreciation and amortization, restructuring and special charges. In addition, the terms Adjusted Revenues and Adjusted EBITDA are used to reflect revenues and EBITDA adjusted for certain items, which management believes are reflective of ongoing operations. The Fund also uses the term Distributable cash (Adjusted EBITDA net of maintenance capital expenditures, amounts to service debt obligations and taxes). Management believes this measure reflects the cash generated from the ongoing operations of the business considering the comparability of that measure from period to period. These terms do not have any standardized meaning prescribed by Canadian GAAP and may not be comparable to similar measures presented by other issuers. Management believes EBITDA, Adjusted Revenues, Adjusted EBITDA, and Distributable cash to be important measures as they allow management to assess the operating performance of the ongoing business. The table below is a reconciliation of Adjusted Revenues, EBITDA, Adjusted EBITDA, and Distributable cash to the most comparable Canadian GAAP financial measures:

For the three-month periods ended March 31,

	2006	2005
Revenues	\$295,770	\$170,849
Elimination of purchase accounting	3,575	1,682
Adjusted Revenues	\$299,345	\$172,531
Income from operations	\$108,870	\$76,077
Depreciation and amortization	58,712	26,868
EBITDA	\$167,582	\$102,945
Elimination of purchase accounting	258	(3,027)
Transition expenses / Other	1,258	-
Adjusted EBITDA	\$169,098	\$99,918
Adjusted EBITDA less:	\$169,098	\$99,918
Maintenance capital expenditures	4,185	2,900
Interest	26,135	12,094
Other	1,706	486
Distributable cash	\$137,072	\$84,438