
PRESS RELEASE

Source: Supremex Income Fund

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SUPREMEX INCOME FUND: 2009 FIRST QUARTER RESULTS

- Not for distribution in the United States or over U.S. newswires -

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| <ul style="list-style-type: none">• PAYOUT RATIO OF 50.7% FOR THE FIRST QUARTER• EBITDA OF \$10.0 MILLION COMPARED WITH \$11.3 MILLION IN THE FIRST QUARTER OF 2008; EBITDA MARGINS OF 21.8% VS 23.8% IN 2008• REDUCTION OF DEBT OF \$4 MILLION• NET EARNINGS OF \$0.14 PER UNIT VS \$0.21 IN THE FIRST QUARTER OF 2008 |
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Montreal, Quebec, May 7, 2009 – Supremex Income Fund (“the Fund”), Canada’s largest provider of stock and custom-manufactured envelopes (TSX: SXP.UN), today announced its results for the first quarter ended March 31, 2009.

For the first quarter of 2009, the Fund generated revenue of \$45.9 million, compared with \$47.5 million for the three-month period ended March 31, 2008, representing a decrease of \$1.6 million or 3.4%. The decrease in revenue is mainly attributable to a reduction of sales in Canada. Revenue from sales in Canada decreased by \$1.4 million or 3.2%, from \$43.8 million to \$42.4 million. Revenue from sales in the United States decreased by \$0.2 million or 5.4%, from \$3.7 million to \$3.5 million.

The decrease in sales revenue in Canada was driven by a 10.2% decrease in the number of units sold, offset by a 7.6% increase in the average selling price. The decrease in the number of units sold is explained by a market share loss and the softness of the market, with a strong concentration in the resale market, direct mail market and sales to large corporations and financial institutions.

The decrease in sales revenue in the United States was due to a 26.4% decrease in the number of units sold, offset by a 30.4% increase in the average selling price given the weakening of the Canadian dollar. The weak American market was the major factor affecting sales in the United States.

EBITDA for the first quarter was \$10.0 million, compared with \$11.3 million for the same period in 2008, representing a decrease of \$1.3 million or 11.5%. EBITDA margin was 21.8%, compared with 23.8% in the first quarter of 2008. The lower EBITDA margin is explained by the higher cost of raw material due to the weakening of the Canadian dollar that has not been passed onto our customers.

Net earnings for the first quarter were \$4.2 million or \$0.14 per unit, compared with \$6.3 million or \$0.21 per unit for the same period in 2008, representing a decrease of \$2.1 million or 33.0%.

Distributable cash for the first quarter was \$8.7 million or \$0.30 per unit, compared with \$9.4 million or \$0.32 per unit in the first quarter of 2008. The Fund payout ratio, or distribution declared as a percentage of distributable cash, was 50.7% for the quarter, compared with 90.4% in the first quarter of 2008.

Cash flows generated by the operating activities were \$6.0 million in the first quarter of 2009, compared with \$8.2 million for the same period in 2008.

“Given the downturn of the Canadian economy, Supremex has been able to achieve reasonable results and is in a good position to weather the storm,” said Gilles Cyr, President and Chief Executive Officer of the Fund.

“In the first quarter, in line with our plans, we were able to reduce our debt by \$4 million and we are confident we will achieve our debt reduction goal of about \$15 million for 2009. Financing is still a challenge for many companies; thus, reducing our total debt while facing a tough business environment has been well perceived by our banking syndicate. We have started negotiating with our syndicate and we are confident that we will be able to renew our credit agreement in the coming months. The renewal process was started early as we need to increase our financial flexibility to be able to pursue potential acquisitions that we are currently contemplating.

The lower value of Canadian dollar will help our sales in the U.S., but it will take time and be a challenge to regain all of the lost sales, given the significant decline in volume and the major overcapacity facing the U.S. envelope industry. These difficult business conditions in the U.S. have forced some manufacturers to be very aggressive in the Canadian market but we are starting to see them being less competitive as a result of the lower Canadian dollar.

A lot of opportunities arise in tough economic times, Supremex with its strong cash flow is well positioned to seize them,” said Mr. Cyr.

Forward-Looking Statements

This press release contains forward-looking statements relating to the future performance of the Fund. A statement is forward-looking when it uses what the Fund knows and expects today to make a statement about the future. Forward-looking statements may include words such as *anticipate, assumption, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, seek, should, strive, target* and *will*. These statements relate to future events or future performance and reflect current assumptions, expectations and estimates of Management regarding growth, results of operations, performance, business prospects and opportunities, Canadian economic environment and liability to attract and retain customers. Such forward-looking statements reflect current assumptions, expectations and estimates of Management and are based on information currently available to the Fund as at the date of this document. Forward-looking statements are subject to certain risks and uncertainties, and should not be read as guarantees of future performance or results and actual results may differ materially from the conclusion, forecast or projection stated in such forward-looking statements. Consequently, we can not guarantee that any forward-looking statements will materialize. Such assumptions, expectations, estimates, risks and uncertainties are discussed throughout our MD&A for the 2008 fiscal year and, in particular, in Risk Factors. Consequently, readers should not place any undue reliance on such forward-looking statements. The Fund disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

For further details, please see the Financial Statements below. The Financial Statements and Management's Discussion and Analysis can also be found on <http://www.sedar.com> and on the Fund website <http://supremex.com>.

Non-GAAP Measures

References to EBITDA are to earnings before net financing charges, income taxes, amortization of property, plant and equipment, intangible assets, deferred compensation and gain or loss on disposal of property, plant and equipment.

Management views distributable cash as an operating performance measure. It is also generally used by Canadian income funds as an indicator of financial performance. Distributable Cash is defined as cash flow related to operating activities adjusted for the net change in non-cash working capital balances, change in post-retirement benefits obligation, change in accrued pension benefits assets and maintenance capital expenditures. Distributable cash is important as it summarizes the funds available for distribution to unitholders.

EBITDA and Distributable Cash are not earnings measures recognized under GAAP and do not have standardized meanings prescribed by GAAP. Therefore, EBITDA and Distributable cash may not be comparable to similar measures presented by other entities. Investors are cautioned that EBITDA and Distributable cash should not be construed as an alternative to net earnings or loss determined in accordance with GAAP as indicators of the Fund's performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows.

About the Fund

Supremex Income Fund is Canada's largest manufacturer and marketer of a broad range of stock and custom envelopes and related products. Supremex is the only national envelope manufacturer in Canada, with facilities across seven provinces and employs approximately 725 people. This nationwide presence enables it to manufacture products tailored to the specifications of major national customers such as leading Canadian corporations, national resellers and governmental entities, as well as paper merchants and process and solutions providers.

Supremex Income Fund
Reconciliation of EBITDA to Net Earnings
(Unaudited)

	Three-month period ended March 31, 2009	Three-month period ended March 31, 2008
Net earnings for the period	4,206,954	6,332,348
Add (deduct):		
Amortization of property, plant and equipment	1,191,520	1,156,933
Amortization of intangible assets	1,540,975	1,501,725
Amortization of deferred compensation	1,293,658	1,323,723
Gain on disposal of property, plant and equipment	(70,811)	(13,928)
Net financing charges	1,424,361	1,406,419
Income taxes expense (recovery)	430,732	(391,886)
EBITDA	10,017,389	11,315,334

Supremex Income Fund
Reconciliation of distributable cash to cash flows related to operating activities
(Unaudited)

	Three-month period ended March 31, 2009	Three-month period ended March 31, 2008
Cash flows related to operating activities	5,977,016	8,224,333
Add (deduct):		
Net change in non-cash working capital balances	2,699,123	1,993,109
Change in post-retirement benefits obligation	4,500	4,500
Change in accrued pension benefit assets	(37,900)	(272,000)
Maintenance capital expenditures	24,513	(575,478)
Distributable cash	8,667,252	9,374,464