

December 2007

Liquor Stores Income Fund Announces December Cash Distribution

EDMONTON, Alberta, December 14, 2007 – Liquor Stores Income Fund (the "Fund") (TSX:"LIQ.UN") announced today a cash distribution of \$0.135 per trust unit for the month of December 2007. The distribution will be paid on January 15, 2007, to holders of record of trust units on December 31, 2007.

The Fund's policy is to pay cash distributions on or about the 15th of each month to unitholders of record on the last business day of the preceding month.

About Liquor Stores Income Fund

Liquor Stores Income Fund is a publicly traded Canadian income trust that participates in the retail liquor industry in Alberta and British Columbia through its 75.6% interest in Liquor Stores Limited Partnership and its 90.3% interest in Liquor Barn Limited Partnership. In aggregate these partnerships operate the largest number of private liquor stores in Canada by number of stores (currently 195 stores). Liquor Stores Income Fund trades on the Toronto Stock Exchange under the symbol LIQ.UN. For additional information about Liquor Stores Income Fund, visit www.sedar.com and the Fund's website at www.liquorstoresincomefund.ca.

- 30 -

For further information, please contact:

Irv Kipnes
Chief Executive Officer
Liquor Stores GP Inc.
(780) 944-9994 ext. 8

or

Patrick de Grace
Vice President Finance and Chief Financial Officer
Liquor Stores GP Inc.
(780) 917-4179

or

Rick Crook
President and Chief Operating Officer
Liquor Stores GP Inc.
(780) 497-3271

www.liquorstoresincomefund.ca