Management's Discussion and Analysis

March 29, 2007

Prior to our IPO on August 8, 2005, our investments in private businesses were made through NPY, established on February 27, 2004. Newport holds a 53% indirect interest in NPY. Newport is entirely dependent upon the operations of NPY, therefore, this MD&A includes discussion of NPY's financial results for the year ended December 31, 2006 and should be read in conjunction with the audited consolidated financial statements of NPY.

The financial statements have been prepared in accordance with Canadian GAAP. This MD&A makes reference to certain Non-GAAP Measures and contains Forward-Looking Information. Non-GAAP Measures do not have any standard meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. See Non-GAAP Measures and Forward-Looking Information.

Capitalized terms used herein have the meaning ascribed to them in the "Definitions" section located at page 48, and references to "we", "us", "our" or similar terms, refer to Newport or the Fund, unless the context otherwise requires.

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Forward-Looking Information

This MD&A contains certain forward-looking information. This information relates to future events or future performance and reflects management's expectations and assumptions regarding the growth, results of operations, performance and business prospects and opportunities of Newport and the Operating Partnerships. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of Newport and the Operating Partnerships. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. In particular, information regarding the future operating results and economic performance of Newport and the Operating Partnerships is forward-looking information. A number of factors, including risks and uncertainties, could cause actual events or results to differ materially from the events and results discussed in the forward-looking information. In evaluating this information, investors should specifically consider various factors, including the risks outlined under "Risk Factors", which may cause actual events or results to differ materially from any forward-looking statement. Although the forward-looking information is based on what management of Newport and the Operating Partnerships consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. This forward-looking information is made as of the date of this MD&A, and Newport does not assume any obligation to update or revise them to reflect new events or circumstances.

Non-GAAP Measures

The terms "EBITDA", "LTM EBITDA", "Distributable Cash", "Distributable Cash per Unit", "Invested Capital", "Net Debt" and "Corporate Costs to Net Asset Ratio", (collectively the "Non-GAAP Measures") are financial measures used in this MD&A that are not standard measures under Canadian GAAP. Therefore, Newport's Non-GAAP Measures, as presented in this MD&A, may not be comparable to similar measures presented by other issuers.

EBITDA refers to earnings of Newport and NPY determined in accordance with generally accepted accounting principles, before depreciation and amortization, interest expense and income tax expense. **LTM EBITDA** refers to EBITDA for the last twelve months. Management believes that EBITDA and LTM EBITDA are useful supplemental measures of performance and are the primary basis on which management assesses financial performance and cash available for debt service, working capital, capital expenditures, income taxes and distributions.

Distributable Cash is generally used by Canadian income funds as an indicator of financial performance. Newport's method of calculating Distributable Cash is disclosed in the Summary Financial Table. Management believes that Distributable Cash and Distributable Cash Per Unit are useful supplemental measures that provide investors with information on cash available for distribution.

Invested Capital includes the cost to acquire the equity interest and excludes transaction costs and any working capital provided to the business being invested in.

Net Debt refers to total debt less cash on hand.

Corporate Costs to Net Asset Ratio is calculated by dividing corporate costs by net assets.

Investors are cautioned that the Non-GAAP Measures should not, on their own, be construed as an indicator of Newport's or NPY's performance or cash flows, a measure of liquidity or as a measure of actual return on the Units. These Non-GAAP Measures should only be used in conjunction with the financial statements of Newport and NPY as at December 31, 2006.

VISION AND CORE BUSINESS

Private equity (investing in privately-owned businesses) is a growing asset class that has the potential to deliver superior returns. However, the considerable challenges of finding and financing investments in private companies prevent many investors from participating – as these businesses are generally hard to find, have few external shareholders, require large minimum investments and are generally illiquid.

Newport was established to provide investors with a simple way to access private equity through ownership of a professionally managed portfolio of successful Canadian private businesses that offers income, growth, diversification and liquidity.

Newport's core business is investment management. Our investment philosophy is to make long-term equity investments in established, profitable, well-managed private businesses across Canada. These businesses distribute their profits to the Fund, which in turn pays monthly distributions to unitholders. By investing in the Fund, unitholders participate in the growth potential of these businesses while earning a steady stream of income.

In pursuing our vision of becoming the equity partner of choice to Canada's most successful entrepreneurs, we expect to continue to selectively expand our investment portfolio and deliver increased value to our unitholders.

STRATEGY

To accomplish its vision, Newport's **business strategy** is focused on:

- Generating a steady flow of potential investment opportunities through Newport's large, national network of contacts and relationships with successful entrepreneurs. This is a proprietary advantage Newport has cultivated over a history of providing personal and corporate wealth management services to this marketplace (see NP LP description page 24).
- Offering a unique combination of benefits for successful entrepreneurs who own and operate private businesses: access to growth capital, strategic support, operational autonomy, liquidity and diversity of personal wealth. For many entrepreneurs, this value proposition is just as, or more, important than the valuation of the business. This is a point of differentiation from other prospective private equity buyers. As a result, we generally do not compete for investments and we believe that allows us to invest at attractive valuations.

Newport's **investment strategy** is based on:

- Investing in well established businesses with leading or niche positions in their respective industries, long histories of profitability, executable growth plans and management teams that are known to us.
- Investing for a significant equity interest (typically 50–80%) and allowing management to retain an interest in the business. This helps to ensure management's interests are aligned with ours as investors.
- Providing capital allocation and strategic advice to support the growth and performance of the businesses we hold. This is Newport's core strength, while day-to-day operations are the core competency of the management teams. We believe this strategy gives each party the platform and incentive to do what they do best.
- Investing for income. We seek to invest in businesses that have the capacity to distribute their cash flows to unitholders and grow organically without requiring significant re-investment of capital. A key element of this strategy is to invest at reasonable valuations. With each investment we make, we expect to receive cash flow from our share of the annual profits of the business, equating to 16–20 percent of our total invested capital. We believe this income-oriented approach to private equity reduces risk -- as investors effectively 'get paid while they wait' for the business to grow and its underlying value to appreciate.
- Investing for growth. As the underlying businesses grow organically and through acquisitions, using capital available from the Fund, distributable cash to investors is increased and the underlying value of the portfolio can be expected to appreciate.
- Managing risk through diversification and prudent use of leverage. This is a significant point of differentiation from many private equity firms that invest using high leverage – as much as four to six times debt to EBITDA. Newport maintains a strong balance sheet with a maximum debt to EBITDA ratio of 2.5 times.

Newport's **financial strategy** is based on:

- Ensuring the Fund has access to diverse and cost-effective sources of capital with which to finance its operations and the growth of its investment program.
- Minimizing the corporate costs of the Fund.

KEY PERFORMANCE DRIVERS

The performance of the Fund depends on the successful implementation of the following actions by management:

Investing Activities:

- Identifying high quality investment opportunities.
- Adhering to the Fund's investment criteria.
- Following a disciplined due diligence and investment management process.
- Providing a partnership environment that encourages and supports the entrepreneurs and management teams of the underlying businesses to achieve their business plans.
- Actively monitoring and managing the portfolio performance and reporting to unitholders.

Funding Activities:

- Securing access to capital sources that enable the Fund to make new investments that are accretive to unitholders while maintaining a strong balance sheet.

Some of Newport's key financial performance indicators and results against those indicators as of December 31, 2006 are set out below:

KEY PERFORMANCE INDICATORS	AS AT DECEMBER 31, 2006
2006 Distributable cash per unit from continuing operations	$0.84
2006 Distributable cash per unit	$0.80
Net debt / LTM EBITDA	1.6x
Corporate costs to net asset ratio	0.94%

CAPABILITY TO DELIVER RESULTS

LIQUIDITY AND CAPITAL RESOURCES

OPERATING CASH FLOW AND WORKING CAPITAL

Cash provided by operations was $53.5 million for the year ended December 31, 2006 compared to cash used of ($6.2) million for the period ended December 31, 2005. The Fund had positive working capital of approximately $126 million at December 31, 2006 compared to $55 million at December 31, 2005. Distributions paid in the year exceeded distributable cash by $13.2 million as a result of the underperformance of RGC which we estimated to be approximately $0.25 per unit. The shortfall was funded throughout the year by cash reserves and the revolving credit facility. We believe that based on our expectations of operating activities for the portfolio we will have sufficient working capital available. Reduced seasonality of the portfolio improves our ability to manage the working capital and liquidity position of the Fund. Our revolving credit facility is available to fund working capital needs as required.

FINANCING

On December 7, 2006, Newport signed a Senior Credit Agreement with an affiliate of Fortress replacing its senior credit facility from a syndicate of Canadian banks. Fortress is part of a global alternative investment and asset management firm with approximately $26 billion in a.u.m. The new credit facilities consist of three components: a $75 million revolving credit facility with a five-year maturity; a $170 million five-year term loan; and a $75 million DDTL that Newport may access during the next two years. Newport used the proceeds from the $170 million term loan to fully repay its predecessor facility and to make additional investments in Newport's portfolio of private businesses. The $75 million revolving credit facility and the $75 million DDTL will be accessed by Newport as needed to fund additional investments, working capital requirements, and for general business purposes. As of December 31, 2006, $170 million of the term loan facility and $5 million of the revolving credit facility have been drawn.

Based on the financing we currently have in place, we believe we have adequate resources to fund our planned investment of $100-$150 million in new assets for 2007.

In light of the government's proposed taxation on income trusts to be introduced in 2011, we are currently reviewing our strategic options to determine the organizational structure that is most appropriate for our business and that will allow us to deliver the greatest value to our unitholders. Regardless of our organizational structure, we expect to continue with our business plan and our model as a high income-producing investment.

CAPITAL EXPENDITURES

The portfolio incurred total capital expenditures (capital lease payments and maintenance capital expenditures) of $5.2 million for the year. The industrial services segment accounts for 73.6% of the Fund's total capital expenditures. There are no significant capital expenditures planned for 2007.

CAPITAL STRUCTURE

Newport maintains a balanced and flexible capitalization structure that is comprised largely of permanent equity and long-term debt or equity-linked debt. We believe this is the most appropriate method of financing our long-term assets.

On December 8, 2006, Newport announced that it had filed a notice with the TSX to introduce a Normal Course Issuer Bid and received approval to purchase for cancellation, through the facilities of the TSX, up to 1,924,572 of its units, representing approximately 5% of its then 38,491,445 issued and outstanding units. Subsequent to the year end, Newport purchased 627,500 units under the NCIB. We intend to continue to make purchases of the units from time to time at the prevailing market price where we believe it to be in the best interests of the Fund and our unitholders.

NON-CAPITAL RESOURCES

INVESTMENT EXPERTISE

Newport's core competency is investment management. Our principals are a highly experienced group of investment managers with, on average, 25 years financial services experience. Newport's Investment Committee, which is responsible for reviewing and approving all investments for the Fund, consists of seven senior members of the firm whose backgrounds originate in investment management, accounting and corporate finance. We believe we have the intellectual capital and the capacity within our existing team to execute our investment strategy. There has been no attrition and Newport's principals are large unitholders of the Fund.

ENTREPRENEUR NETWORK

Generating 'deal flow' of potential new investments is a critical success factor for private equity investment. Newport has trusted relationships and an extensive network of contacts in the Canadian private business sector from which it generates new investment opportunities. This network is derived from the personal contacts of Newport's principals, the management teams of the companies in the portfolio and a client base of 400 entrepreneurial families for whom Newport's principals also provide investment management services through NP LP.

In 2006, this network generated potential investment opportunities representing more than $1 billion of asset value. Newport believes this network represents a competitive advantage that will enable the Fund to achieve its planned investment of $100-$150 million of new capital in 2007.

INVESTMENT PHILOSOPHY AND CULTURE

Newport has a highly entrepreneurial culture and an investment philosophy that is attractive to successful entrepreneurs of leading private businesses – many of whom would otherwise be disinclined to accept a financial partner in their business. Newport's investment proposition for the entrepreneur is based on providing working and growth capital; strategic support; operational autonomy; and liquidity and diversity of personal wealth. In many cases, these factors are more important to the entrepreneur than the actual price he/she receives for the business.

The result of this capability is that Newport generally does not compete with other potential buyers for its investments. We believe the Fund is somewhat insulated from increased levels of private equity investment activity and rising valuations.

SYSTEMS AND PROCESSES

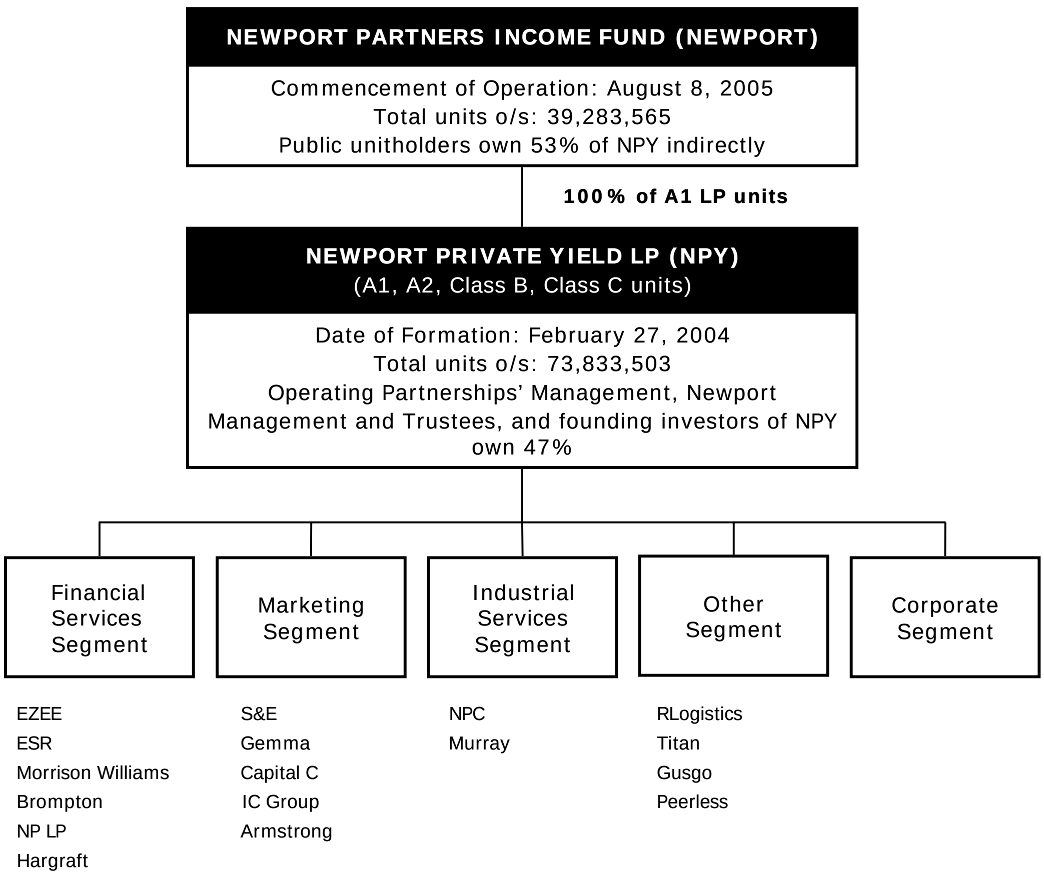
Newport believes its current management capacity and back office infrastructure are adequate to support its investment management, governance and reporting responsibilities for the Fund. In 2006, our investment team was expanded with the addition of two new Lead Directors, we added three new people to our in-house finance and legal counsel teams and we continue to refine our reporting functionality through investment in new systems. As a result, we believe we have the scalability to monitor our existing portfolio and support the planned new investments to the Fund for 2007.

OTHER FACTORS IMPORTANT TO UNDERSTANDING OUR RESULTS

SIMPLIFIED STRUCTURE – NEWPORT AND NPY

Newport is an unincorporated, open-ended, limited purpose trust, which was created to hold an indirect interest in NPY. NPY is a limited partnership formed to invest in securities of private businesses and distribute the available cash flows to the limited partners.

Newport is entirely dependent upon the operations of NPY and the Operating Partnerships and, as such, financial information on NPY has been incorporated into this MD&A.



In accordance with CICA guidelines, Newport groups operating partnerships that have generally similar business characteristics into business segments. During the fourth quarter, a new segment was created, called the Other segment, to more properly reflect the diverse characteristics of certain businesses: RLogisitcs, Peerless, Titan and Gusgo, which are now reported within this segment. In previous quarters, results from RLogisitcs were reported in the distribution segment, and results from Peerless and Titan were reported within the Industrial Services segment. Newport invested in Gusgo in October 2006 and is being reported on for the first time.

UNITS OUTSTANDING

A1	A2	B1	B2	B4	C	TOTAL
39,283,565	28,539,493	1,536,216	843,173	1,303,456	2,327,600	73,833,503

During the period January 1, 2006 to December 31, 2006, 5,309,898 A2 LP units were exchanged for units of Newport.

DISCONTINUED OPERATIONS

In October 2004, NPY made its original investment in RGC, a leading consumer electronics distributor. Concurrent with the IPO on August 8, 2005, NPY's ownership interest increased to 80%.

Under the direction of industry executive and CEO, Andy Redmond, the company embarked on a strategy to consolidate its industry. To accomplish this, RGC combined three companies over the course of 14 months. During this time, the competitive conditions within the industry changed dramatically. Significant and rapid price compression on consumer electronic products, including flash memory and flat TVs distributed by RGC, combined with changing practices by retailers, negatively impacted revenues and gross profit margins in 2006. In addition, RGC's 2005 acquisition of a major competitor, Sonigem, failed to deliver intended benefits.

During the second quarter, the company's results deteriorated significantly and management subsequently revised its revenue and EBITDA estimates downwards for the remainder of fiscal 2006. At that time we reported that it would likely be 18-24 months before RGC's performance would return to normal business levels. While RGC has been making some progress on its plan to remediate its performance, as evidenced by improved gross profit margins during the third and fourth quarters of 2006, it ultimately failed to deliver on its revised estimate for the rest of fiscal 2006.

Newport determined that better long-term returns could be obtained from investments in other businesses. Accordingly, Newport and principals of SW, the owners of 80% and 20% of the units of RGC respectively, undertook steps towards the divestiture of RGC. On March 27, 2007, Newport announced a definitive agreement for the sale of 100% of the assets of RGC for an estimated net price of $35 million (excluding its investment in RLogistics). The transaction is expected to close on or about April 30, 2007. RGC's 45% equity investment in RLogistics, completed in May 2006, is not being sold. Upon closing Newport will retain its 36% equity interest in RLogistics which will be reported in the Other segment. Included in the net loss of discontinued operations for 2006 is a provision for $55.8 million to reduce Newport's carrying value of RGC to its share of estimated net sales proceeds.

The assets and liabilities of RGC, excluding RLogistics, have been classified as discontinued in the audited consolidated balance sheets as at December 31, 2006 and December 31, 2005, and the results of operations of RGC have been classified as discontinued in the audited consolidated statements of operations and audited statements of changes in financial position for the periods ended December 31, 2006 and 2005.

CONDENSED INCOME STATEMENT INFORMATION ($000s)

	YEAR ENDED DECEMBER 31, 2006	PERIOD ENDED DECEMBER 31, 2005
Revenues	$ 225,933	$ 116,382
Net (loss) income	(63,253)*	4,956

* Included in the net loss of discontinued operations for 2006 is a provision for $55,788 to reduce Newport's carrying value of RGC to its share of estimated net sales proceeds.

For the year, RGC generated revenues of $225,933 as compared with $116,382 in the prior year period. Through its AVS division, RGC is the distributor of a line of branded MP3 players and flash memory products sold primarily to big-box retailers. While these items have been an area of sales growth for RGC, manufacturer price reductions affected revenue levels during the second half of the year. In the seasonally strong fourth quarter, RGC's revenues were impacted by the corporate restructuring of a large retail account that represented approximately 15% of RGC's sales. This resulted in temporarily reduced demand for RGC's products as the customer adjusted retail and warehouse inventory levels.

Gross profit of $20,346, translated into a 9% gross profit margin compared with $17,157 of gross profit and a 14.7% gross profit margin in the prior year. In 2006, RGC's gross profit performance was negatively impacted by a number of factors: higher than forecasted product returns, and resulting from the Sonigem acquisition, and a significant writedown of remnant inventory during the second quarter. The shortfall in sales revenue in the seasonally strong third and fourth quarters was also a factor. During the third and fourth quarters, gross profit margins showed improvement over the second quarter as management's adjusted provisions for product returns proved to be consistent with actual performance and efforts to reduce the impact of low-margin items began to show results.

For the year ended December 31, 2006, RGC generated $(1,160) of EBITDA compared with $7,283 in the prior period.

BALANCE SHEET INFORMATION ($000s)

	AS AT DECEMBER 31, 2006	AS AT DECEMBER 31, 2005
Current assets of discontinued operations	$ 68,969	$ 82,434
Long-lived assets of discontinued operations	14,403	73,345
Current liabilities of discontinued operations	54,372	66,126
Net assets of discontinued operations	$ 29,000	$ 89,653

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Newport prepares its financial statements in accordance with GAAP. The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the period of the consolidated financial statements. Significant accounting policies and methods used in the preparation of the financial statements are described in note 1 to the audited annual consolidated financial statements. Newport, NPY and the Operating Partnerships evaluate their estimates and assumptions on a regular basis, based on historical experience and other relevant factors. Included in the consolidated financial statements are estimates used in determining allowance for doubtful accounts, inventory valuation, the useful lives of property, plant and equipment and intangible assets, revenue recognition and other matters. Actual results could differ materially from those estimates and assumptions.

The assessment of goodwill and intangible assets for impairment require the use of judgments, assumptions and estimates. Due to the material nature of these factors, they are discussed here in greater detail.

GOODWILL AND INTANGIBLE ASSETS

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of the amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. When Newport enters into a business combination, the purchase method of accounting is used. Goodwill is assigned as of the date of the business combination to reporting units that are expected to benefit from the business combination. Newport's goodwill was $253 million at December 31, 2006.

Goodwill is not amortized and is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that the asset might be impaired. As at December 31, 2006, there were no indicators of impairment in the carrying value of goodwill.

Intangible assets acquired individually or as part of a group of other assets are recognized and measured at cost. Intangible assets acquired in a transaction, including those acquired in business combinations, are recorded at their fair value. Intangible assets with determinable useful lives, such as ATM location contracts, customer relationships and contracts, and management contracts, are amortized over their useful lives and are tested for impairment annually. Intangible assets having an indefinite life, such as brands, are not amortized but instead are tested for impairment on an annual or more frequent basis by comparing their fair value with book value. As at December 31, 2006, there were no indicators of impairment in the carrying value of Newport's intangible assets. The net book value of intangible assets was $265 million at December 31, 2006.

ACCOUNTING POLICIES

The Fund prepares its financial statements in accordance with GAAP. The Fund's accounting policies are disclosed in the notes of the audited consolidated financial statements for the year ended December 31, 2006.

The comparative consolidated financial statements of the Fund cover the period from August 8, 2005 to December 31, 2005.

IMPACT OF NEW ACCOUNTING STANDARDS

The CICA has issued three new accounting standards:

Section 3855, Financial Instruments – Recognition and Measurement, effective for fiscal years beginning on or after October 1, 2006. This section describes the standards for recognizing and measuring financial instruments in the balance sheet and the standards for reporting gains and losses in the financial statements. Financial assets available for sale, assets and liabilities held for trading and derivative financial instruments, part of a hedging relationship or not, have to be measured at fair value. The impact of re-measuring our financial assets and liabilities at fair value will be recognized in opening deficit and opening accumulated other comprehensive income as appropriate.

Section 1530, Comprehensive Income, effective for fiscal years beginning on or after October 1, 2006. It describes reporting and disclosure recommendations with respect to comprehensive income and its components. Comprehensive income is the change in unitholders' equity, which results from transactions other than those resulting from investments by unitholders and distributions to unitholders. These transactions and events include unrealized gains and losses resulting from changes in fair value of certain financial instruments.

Section 3865, Hedges, effective for fiscal years beginning on or after October 1, 2006. The recommendations expand the guidelines outlined in Accounting Guideline 13, Hedging Relationships. This Section describes when and how hedge accounting can be applied as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from the derivative financial instruments in the same period as for those related to the hedged item. It is not anticipated that this standard will have any immediate impact on Newport.

These standards will be effective for the Fund as of January 1, 2007 and will be adopted on a retroactive, without restatement basis.

RESULTS - 2006 PERFORMANCE - NEWPORT

DISTRIBUTIONS/UNIT ($000s except per unit amounts)

	YEAR ENDED DECEMBER 31, 2006		PERIOD AUGUST 8, 2005 TO DECEMBER 31, 2005	
NPY (representing non-controlling interest)		33,436		39,003
Newport		33,744		25,766
Total weighted average units outstanding✦		67,180		64,769
Total distributions paid and payable	$	66,657	$	24,195
Distributions per unit		$0.99		$0.37
Cash provided by (used in) continuing operating activities	$	50,565	$	(5,903)
Add: changes in non-cash working capital		11,049		21,829
Add: priority income per partnership agreement⌘		38		1,193
Deduct: maintenance capital expenditures and reserves		2,208		766
Deduct: capital lease payments		3,009		655
Distributable cash from continuing operations		56,435		15,698
(Cash used in)/Distributable cash from discontinued operations		(2,934)		8,043
Distributable cash	$	53,501	$	23,741
Distributable cash per unit from continuing operations		$0.84		$0.24
(Cash used in)/Distributable cash per unit from discontinued operations		$(0.04)		$0.13
Distributable cash per unit		$0.80		$0.37

BALANCE SHEET ($000s)

	AS AT DECEMBER 31, 2006		AS AT DECEMBER 31, 2005	
Total assets	$	894,349	$	715,104
Revolving credit facility		5,000		-
Long-term debt		170,000		-
Convertible debt		83,970		84,339
Unitholder's equity - Newport & NPY		478,235		497,830

✦ Represents weighted average number of units outstanding during the period adjusted for C LP units which are currently subordinated and therefore received no distributions.

⌘ To the extent that in any reporting period, calculated on a cumulative basis, Newport's proportionate share of distributable cash is more or less than its priority amount an adjustment to distributable cash is made to reflect the actual cash distributions payable to Newport by the operating partner.

SUMMARY FINANCIAL TABLE – NEWPORT (SEGMENTED) ($000s except per unit amounts)

Year ended December 31, 2006

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	OTHER	CORPORATE✪	TOTAL
Revenue	69,379	69,323	186,821	40,579	-	366,102
Gross margin	38,601	33,792	39,809	10,761	-	122,963
Income from continuing operations before non-controlling interest	18,658	5,642	9,188	3,053	(15,930)	20,611
EBITDA	34,915	13,174	19,847	6,746	(4,513)	70,169
Interest (income) expense	(271)	238	1,681	934	7,911	10,493
Income taxes	96	-	-	-	-	96
Maintenance capital expenditures and reserves	297	390	1,017	116	388	2,208
Capital lease payments	33	138	2,821	17	-	3,009
Compensation expense funded by operating partner⌘	2,034	-	-	-	-	2,034
Priority income per partnership agreement✦	(720)	689	-	69	-	38
Distributable cash from continuing operations	36,074	13,097	14,328	5,748	(12,812)	56,435
Cash used by discontinued operations						(2,934)
Distributable cash						53,501
Distributable cash per unit from continuing operations						$0.84
Cash used per unit in discontinued operations						$(0.04)
Distributable cash per unit						**$0.80**

SUMMARY FINANCIAL TABLE – NEWPORT (SEGMENTED) ($000s except per unit amounts)

August 8 to December 31, 2005

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	OTHER	CORPORATE✪	TOTAL
Revenue	23,621	21,947	43,290	-	-	88,858
Gross margin	14,628	9,107	6,787	-	-	30,522
Income from continuing operations before non-controlling interest	4,805	1,188	1,154	-	(2,146)	5,001
EBITDA	10,810	3,662	3,283	-	(1,627)	16,128
Interest (income) expense	(39)	32	612	-	396	1,001
Income taxes	-	-	-	-	-	-
Maintenance capital expenditures and reserves	548	337	766	-	-	1,651
Compensation expense funded by operating partner⌘	1,029	-	-	-	-	1,029
Priority income per partnership agreement✦	720	473	-	-	-	1,193
Distributable cash from continuing operations	12,050	3,766	1,905	-	(2,023)	15,698
Distributable cash from discontinued operations						8,043
Distributable cash						23,741
Distributable cash per unit from continuing operations						$0.24
Distributable cash per unit from discontinued operations						$0.13
Distributable cash per unit						**$0.37**

✪ The results of the Corporate segment include corporate costs and corporate interest expense.

⌘ Newport's agreement with ESR contemplates that certain employee bonuses are paid for by the 20% limited partners. GAAP requires that the bonuses be expensed and therefore reduces EBITDA. Since there is no cash outlay by Newport the expense is added back in arriving at distributable cash.

✦ To the extent that in any reporting period, calculated on a cumulative basis, Newport's proportionate share of distributable cash is more or less than its priority amount an adjustment to distributable cash is made to reflect the actual cash distributions payable to Newport by the operating partner.

INVESTMENT & FUNDING ACTIVITIES

INVESTMENTS

These tables provide a summary of new investments made by the Fund during the year ended December 31, 2006. Additional information about these investments is provided in the Segment Operating Results of NPY section of this report.

NEW OPERATING PARTNERSHIPS (DOLLAR AMOUNTS IN $000s)

SEGMENT	DATE	INVESTMENT	CAPITAL INVESTED
Financial Services	28-Apr-06	75% interest in **Hargraft**, an insurance broker selling specialized liability products for commercial clients and high net worth individuals.	$ 16,000
Marketing	27-Jul-06	80% interest in **IC Group**, a leading provider of interactive promotions, games, contests, sweeps administration, promotion risk management and insurance solutions for Fortune 100 companies and promotion agencies.	8,000*
	4-Oct-06	80% interest in **Armstrong**, a leading North American promotional marketing company with particular expertise in the financial services, credit card marketing and animal pharmaceutical segments.	20,000
Industrial Services	16-Mar-06	80% interest in **Murray**, the number one provider of demolition and decommissioning services in Canada.	30,500
Other	20-Jun-06	90% interest in **Peerless**, Canada's leading manufacturer of protective harsh weather outerwear for military personnel.	36,000
	1-Sep-06	88% interest in **Titan**, an Edmonton-based distributor and manufacturer of rigging and ground engaging tool products to the industrial sector in western Canada.	25,200†
	25-Oct-06	80% interest in **Gusgo**, a provider of intermodal freight services specializing in all aspects of marine container transportation and storage.	12,500
Total			**$ 148,200**

STRATEGIC ACQUISITIONS BY OPERATING PARTNERSHIPS (DOLLAR AMOUNTS IN $000s)

SEGMENT	DATE	INVESTMENT	CAPITAL INVESTED
Financial Services	5-May-06	**EZEE** acquired 100% of the shares of Les Systemes Domotec Inc., a full service provider of ATMs.	$ 500
Marketing	28-Dec-06	**Capital C** acquired 100% of the assets of Adeo, a digital promotions company.	1,400
Industrial Services	25-Jan-06	**NPC** acquired a 40% interest in Waydex, an oil and gas services business.	2,500
Other	1-May-06	**RGC** acquired a 45% interest in RLogistics, a wholesale liquidator of computer/electronic products. Subsequent to year end, RGC signed a definitive agreement to sell all of its assets, other than its interest in R-Logistics. Upon closing of this asset sale transaction, Newport will, through its interest in RGC, continue to own a 36% equity interest in R-Logistics.	10,000
Total			**$ 14,400**

FUNDING (DOLLAR AMOUNTS IN $000s)

In June, Newport completed a public offering of 8,155,000 Newport units at $9.20 per unit to raise proceeds, net of underwriting fees, of approximately $71,275.

In December, Newport entered into a Senior Credit Agreement with an affiliate of Fortress to provide up to $320,000 in funding. The facilities consist of three components: a $75,000 revolving credit facility, a $170,000 term loan, and a $75,000 DDTL. Newport used $132,000 of the proceeds from the term loan facility to fully repay and discharge all amounts drawn on its prior credit facility underwritten by a syndicate of Canadian banks.

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* In addition to the cash payment of $8,000, Newport will pay the vendors of IC Group an additional earn-out amount equal to 3.2 times the amount by which average annual distributable cash over the three year period following closing exceeds $2,000.

† In addition $10,000 was advanced to allow Titan to retire long-term debt and certain obligations.

2006 PERFORMANCE SUMMARY BY OPERATING PARTNERSHIP

OPERATING PARTNERSHIP	EBITDA($000s)	DISTRIBUTABLE CASH ($000s)	COMMENTARY
Financial Services			
Ezee	2,538	2,479	EZEE's performance stabilized in 2006 as it worked to overcome the operational challenges relating to its Quebec-based portfolio reported in 2005. The company placed more emphasis on its organic growth plan, resulting in the addition of 250 ATM machines. Its acquisition plan was delayed due to inflated valuations. In January 2007, EZEE completed the acquisition of the Canadian TRM portfolio of 1500 ATMs which was immediately accretive and will reduce EZEE's overall cost per transaction through higher volumes. The outlook is for improved EBITDA from moderate organic growth, certain revenue enhancements and cost reductions in 2007.
Brompton	4,122	4,332	Brompton had a record year despite the Federal Government's announced tax plan regarding income trusts which directly impacted 13 of its 20 funds which invest primarily in income trusts. Despite these challenging conditions, Brompton's a.u.m. grew by 16 percent to $2.9 billion in 2006 largely through the launch of three new funds and the acquisition of the BARCLAYS*funds*. For 2007, Brompton has plans to offer new structured funds which should positively impact a.u.m.
ESR	11,023	12,485	ESR achieved its best year in the company's 40-year history in spite of a very challenging market environment. Commission revenue declined slightly due to intense pricing competition, while contingent profit commissions were more than offsetting, including $1.3 million that were non-recurring. The high percentage of profit commissions in ESR's revenue mix is testimony to the company's underwriting capabilities as these revenues are calculated based on actual claims experience. For 2007, management expects an unchanged market environment and has budgeted for a moderate reduction in its financial results.
Morrison Williams	8,588	8,582	Morrison Williams had a record year in 2006. Contributing factors were the performance of the Canadian equity markets and new business wins. These more than offset the poor relative performance of the income trust market. Management anticipates little growth in a.u.m. in the first quarter of 2007 due to net redemptions in various income trust based funds that the company manages. However, Morrison Williams enters 2007 with two new WRAP account contracts and a new balanced pension fund mandate.
NP LP	7,160	6,766	NP LP had a record year in 2006. While a.u.m. declined 5% over 2005 due to the performance of NPF.UN and the income trust sector as a whole, NP LP's results reflect strong investment performance overall and the positive contribution of its comprehensive wealth management offering including insurance, and an unusually large corporate assignment that generated $2.3 million of EBITDA in Q3. For 2007, NP LP has a solid personal and corporate wealth management platform on which to grow revenues. It will also look to grow its a.u.m. through the selective hiring of experienced relationship managers. The outlook is for moderate growth.
Hargraft	1,484	1,430	Newport invested in Hargraft in April 2006. Hargraft's commission revenues for the period were reduced due to significant premium pricing pressure in its markets and an unanticipated competitive attack by a tier one broker in the transportation industry, a key segment for Hargraft. However, with the client renewals and new business won in 2006, Hargraft believes it is well positioned for a cyclical upturn, although this is not expected in the next 12 months.
	34,915	**36,074**	
Marketing			
S&E	831	993	S&E made some progress on returning its business to normal levels after the impact of the National Hockey League lock-out in 2005. However revenue gains in the first half of the year were offset by higher expenses related to an unbudgeted business development hire and to the cancellation of a major client contract in Q3 that will impact revenues in 2007. S&E will likely under perform in 2007 as it rebuilds. To remediate this, Newport has worked with management on a plan to combine S&E's offices with Armstrong's (see below) in the third quarter. This should allow S&E to exploit cross selling opportunities with Armstrong's client base.
Gemma	5,051	5,066	After a challenging start to the year in which low levels of unemployment led to increased staff turnover, recruiting and training costs, Gemma's performance improved steadily. Management's revenue optimization, cost management, employee efficiency and business development strategies have produced five consecutive quarters of revenue and EBITDA growth. In Q4, Gemma was awarded three new contact programs that should contribute to growth in 2007.
Capital C	5,303	5,029	Capital C had a record year as it continued its successful transition to a fully integrated agency. Revenue increases from new and existing clients translated into a record year for Capital C. In addition, it was selected Agency of the Year by *Marketing* magazine. Capital C's May merger with Kenna and its December acquisition of Adeo, a digital marketing company, have solidified its position as a leader in the rapidly growing direct to consumer marketing industry. In 2007, Capital C will focus on bringing these currently separate lines of business into a fully integrated offering. Management expects top-line growth will be offset by additional infrastructure and integration costs related to this strategy.

OPERATING PARTNERSHIP	EBITDA($000s)	DISTRIBUTABLE CASH ($000s)	COMMENTARY
IC Group	1,366	1,276	Newport invested in IC Group in July 2006. IC Group achieved its best year in its 17-year history as it successfully executed its strategy for its on-line creative and promotions division which produces interactive promotions for a diversified base of global blue-chip clients. Program renewals from existing customers and the addition of new contracts should contribute positively to 2007 performance, particularly in the second half of the year. IC Group will also continue to focus on transitioning more of its business from project-based work to longer-term integrated loyalty and longevity programs which provide recurring revenue. IC Group's challenge will be to manage its growth as it pursues this strategy in 2007.
Armstrong	623	733	Newport invested in Armstrong in October 2006. Revenues reflect reduced spending by a Canadian on-line gaming customer. EBITDA performance benefited from lower than expected SG&A. The changed regulatory environment for on-line gaming in the U.S. is having an effect on the Canadian market and this could have a negative effect on Armstrong's results in 2007. A strategy has been put in place by management to further diversify its revenue base and two new consumer marketing accounts were acquired in the fourth quarter. Newport has a priority on $4 million of Armstrong's annual distributable cash.
	13,174	**13,097**	
Industrial Services			
NPC	13,474	8,565	NPC had the best year in the company's history. Record revenues were achieved with no diminution of gross profit margins. The company benefited from high levels of activity in the oil and gas sector in Alberta and the contribution of strategic acquisitions that have been accretive. For 2007, management expects a strong maintenance and shutdown season based on its currently contracted work. However, reduced drilling activity and the soft market for natural gas prices are expected to negatively impact results from NPC's facility construction operations, particularly in the first quarter. As a result, management is forecasting a reduction in its overall financial results.
Murray	6,373	5,763	Newport invested in Murray in March 2006. Murray's performance reflects the volume of large industrial contracts it performed along with high scrap metal sales from its projects. The company is well positioned with a strong backlog of work and a robust pipeline of new project opportunities for 2007 along with cross-selling opportunities and synergies from its merger with Quantum which was completed subsequent to year end. The combined entity, Quantum Murray, is a leading national decommissioning and environmental remediation firm with LTM revenues and LTM EBITDA of approximately $140 million and $20 million, respectively. Q1 will be softer, however, as several large projects have been delayed.
	19,847	**14,328**	
Other			
RLogistics	970	970	Newport invested in RLogistics in May 2006. This investment has performed to expectations and has increased its geographic reach during the period with new retail store openings in Ontario.
Peerless	3,464	2,983	Newport invested in Peerless in June 2006. Peerless' revenues were negatively impacted by a delay in the exercise of order options by government agencies in Q3 and shipping delays in Q4. Management expects these sales will be partially realized in Q1. Peerless is the dominant supplier of military gear for the federal government, however the size and timing of its contracts can be difficult to predict. Peerless is also opening distribution channels to sell its products to the oil and gas industry and trade professionals. A small contribution is expected from this area in 2007 with marginal projected growth in other areas.
Titan	1,943	1,357	Newport invested in Titan in September 2006. Fourth quarter revenues and EBITDA reflect reduced activity in the exploration and drilling segment of the Alberta energy sector. Severe weather, which increases demand for Titan's snow removal products and wear parts for heavy equipment, positively impacted results. Management anticipates that Titan's results in the first quarter will be impacted by the pronounced slowdown in oilfield activity. A strong construction industry, growth in the Fort McMurray market, and Titan's recent expansion into Nisku, Alberta should provide areas of growth.
Gusgo	369	438	Newport invested in Gusgo in October 2006. Q4 revenue and EBITDA were slightly weaker than expected as congestion at the Vancouver port reduced the amount of container traffic and in some cases diverted shipments to U.S. ports and carriers. Expenses and gross profit margins were in line for the period. First quarter results will be negatively impacted by the CN Rail strike which has further reduced traffic volumes. Management is focused on attempting to replace these revenues in 2007, through a new business development strategy that targets shipments from U.S. Atlantic ports. Newport has a priority on $2.4 million of distributable cash from Gusgo.
	6,746	**5,748**	

SUPPLEMENTARY INFORMATION

NEWPORT'S SHARE OF LTM EBITDA BY OPERATING PARTNERSHIP (CONTINUING OPERATIONS)

This table provides a pro-forma analysis of Newport's EBITDA by operating partnership, after giving effect to the contribution of all the investments in the portfolio as at December 31, 2006 as if each investment had been owned by Newport for the full twelve month period ended December 31, 2006. The 2005 comparative information is prepared on the same basis.

OPERATING PARTNERSHIP	DECEMBER 31, 2006✦	DECEMBER 31, 2005✦	CHANGE
Financial Services			
Ezee	$ 2,538	$ 2,450	3.6%
Brompton	4,122	3,800	8.5%
ESR	11,023	10,220	7.9%
Morrison Williams	8,588	7,000	22.7%
NP LP	7,160	4,600	55.7%
Hargraft	2,557	3,147	-18.8%
Marketing			
S&E	831	996	-16.5%
Capital C	5,303	4,744	11.8%
Gemma	5,051	5,061	-0.2%
IC Group	1,772	1,634	8.5%
Armstrong	3,792	3,400	11.5%
Industrial Services			
NPC	13,686	10,444	31.0%
Murray	7,977	7,784	2.5%
Other			
RLogistics	1,327	n/a	n/a
Peerless	9,978	11,062	-9.8%
Titan	5,730	5,475	4.7%
Gusgo	2,493	2,486	0.3%
Total Operating Partnerships	**$ 93,928**	**$ 84,303**	**9.8%⌘**
Corporate	(4,513)	(1,860)	
Total	**$ 89,415**	**$ 82,443**	

✦ Includes EBITDA normalized to remove owner earnings and adjustments for the period prior to Newport ownership; as well as, where appropriate, adjustments for Newport priority amounts.

⌘ Change excludes contribution of RLogistics.

NEWPORT'S PRIORITY INCOME BY OPERATING PARTNERSHIP

OPERATING PARTNERSHIP	PER ANNUM	EXPIRY
Financial Services		
Brompton	$ 4,100	Q3 2007
ESR	11,200	Q3 2007
Morrison Williams	7,000	Q3 2007
NP LP	4,100	Q3 2007
Marketing		
S&E	1,000	Q2 2008
Capital C	4,100	Q3 2007
Gemma	4,800	Q3 2007
Armstrong	4,000	Q4 2010
Industrial Services		
NPC	8,100	Q3 2007
Murray	6,400	Q1 2008
Other		
Gusgo	2,400	Q4 2010

RESULTS - FOURTH QUARTER PERFORMANCE - NEWPORT

SUMMARY FINANCIAL TABLE – NEWPORT (SEGMENTED) ($000s)

Three months ended December 31, 2006

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	OTHER	CORPORATE★	TOTAL
Revenue	18,951	22,142	46,713	23,677	-	$111,483
Gross margin	10,588	12,206	20,889	(2,674)	-	41,009
Income from continuing operations before non-controlling interest	4,550	2,019	2,600	946	(6,840)	3,275
EBITDA	8,649	4,261	4,763	4,255	(1,141)	20,787
Interest (income) expense	(118)	69	477	592	3,225	4,245
Income taxes	11	24	-	-	-	35
Maintenance capital expenditures and reserves	14	326	503	112	388	1,343
Capital lease payments	29	27	657	14	-	727
Compensation expense funded by operating partner¤	354	-	-	-	-	354
Priority income per partnership agreement⌘	-	(51)	-	69	-	18
Distributable cash from continuing operations	9,067	3,764	3,126	3,606	(4,754)	14,809
Distributable cash from discontinued operations						519
Distributable cash						$ 15,328
Distributable cash per unit from continuing operations						$0.20
Distributable cash per unit from discontinued operations						$0.01
Distributable cash per Unit						**$0.21**

SUMMARY FINANCIAL TABLE – NEWPORT (SEGMENTED) ($000s)

Three months ended December 31, 2005

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	OTHER	CORPORATE★	TOTAL
Revenue	15,866	12,819	29,702	-	-	$ 58,387
Gross margin	10,429	6,395	4,615	-	-	21,439
Income from continuing operations before non-controlling interest	2,973	161	304	-	(1,849)	1,589
EBITDA	7,017	2,281	1,791	-	(1,218)	9,871
Interest expense	(63)	30	421	-	507	895
Income taxes	-	-	-	-	-	-
Maintenance capital expenditures and reserves	496	254	652	-	-	1,402
Compensation expenses paid by operating partner¤	1,029	-	-	-	-	1,029
Priority income per partnership agreement⌘	651	361	-	-	-	1,012
Distributable cash from continuing operations	8,264	2,358	718	-	(1,725)	9,615
Distributable cash from discontinued operations						7,195
Distributable cash						$ 16,810
Distributable cash per unit from continuing operations						$0.15
Distributable cash per unit from discontinued operations						$0.11
Distributable cash per Unit						**$0.26**

★ The results of the Corporate segment include corporate costs and corporate interest expense both at Newport and NPY.

¤ Newport's agreement with ESR contemplates that certain employee bonuses are paid for by the 20% limited partners. GAAP requires that the bonuses be expensed and therefore reduces EBITDA. Since there is no cash outlay by Newport the expense is added back in arriving at distributable cash.

⌘ To the extent that in any reporting period, calculated on a cumulative basis, Newport's proportionate share of distributable cash is more or less than its priority amount an adjustment to distributable cash is made to reflect the actual cash distributions payable to Newport by the operating partner.

FOURTH QUARTER RESULTS

Revenue from continuing operations for the three month period ended December 31, 2006 increased 91% from the prior year period to $111,483. EBITDA from continuing operations more than doubled to $20,787 compared to $9,871 in 2005 reflecting $8,468 of EBITDA from investments added in 2006 and growth from existing holdings. RGC is reported as discontinued operations.

During the period, the slowdown in the Alberta oil and gas sector affected the financial results of both Titan and NPC as these businesses supply products and services to that industry. In our financial services segment, contingent profit commissions from ESR were higher than expected and this contributed positively to the Fund's EBITDA results.

Distributable cash from continuing operations was $14,809 compared with $9,615 in the prior year period.

Overall, the Fund produced distributable cash of $15,328, a slight decline from $16,810 generated in 2005. There were primarily two factors that explained the decline. Distributable cash from RGC discontinued operations was $519, against $7,195 contributed in the prior year period.

As previously reported during the year, RGC has experienced challenges relating to significant margin compression on products it distributes and its acquisition of Sonigem, which has not delivered intended benefits. In the seasonally strong fourth quarter, RGC's revenues were also reduced by the corporate re-structuring of a large retail account representing approximately 15% of its sales. This resulted in temporarily reduced demand for RGC's products as the customer adjusted its retail and warehouse inventory levels. Gross profit margin improvement achieved in the third quarter was basically maintained during the period.

The second factor impacting distributable cash was a five-fold increase in interest costs to $4,245 from $895 in the prior year period. This related to an increase in the credit facility and amounts drawn to finance the Fund's investment program and provide it with a more diversified capital structure. Interest costs are affected by the timing of investments. In addition, the 2006 quarter reflects a full quarter's accrual for interest on convertible debentures where 2005 included an accrual from date of issuance, December 12, 2005.

Distributable cash per unit decreased 19% to $0.21 compared to $0.26 generated in 2005. This reduction also reflects the dilution resulting from the issuance of equity units during the year.

2006 PERFORMANCE - NPY

Consolidated financial information has been provided for the operations of NPY for the years ended December 31, 2006 and 2005. NPY's financial statements include the financial results of its 100% owned operating partners and investments in jointly controlled operating partners on a proportionate consolidation basis. **Commentary on NPY's financial results does not include a reference to the corresponding periods in 2005 as the periods are not comparable.**

SUMMARY NPY TABLE – CONTINUING OPERATIONS ($000s)

	YEAR ENDED DECEMBER 31, 2006	YEAR ENDED DECEMBER 31, 2005*
Revenues	$366,102	$141,173
Cost of revenues	(243,139)	(99,221)
Gross profit	122,963	41,952
Selling, general and administrative expenses	(59,864)	(21,695)
Depreciation and amortization expense	(36,933)	(13,385)
Income from equity investments	3,341	1,136
Other income	1,693	146
Interest expense	(10,493)	(1,535)
Income tax expense	(96)	-
Income from continuing operations	$20,611	$6,619
Income from continuing operations	20,611	6,619
Add:		
Depreciation and amortization expense	36,933	13,385
Amortization of Brompton intangible assets	2,036	708
Interest expense	10,493	1,535
Income tax expense	96	-
EBITDA from continuing operations	$70,169	$22,247

* Excludes, for comparison purposes, performance fees of $44,760 relating to amounts paid concurrent with the Fund's IPO.

EIGHT QUARTER SUMMARY – NPY ($000s except per unit amounts)

	2006 Q4¤	2006 Q3¤	2006 Q2¤	2006 Q1¤	2005 Q4¤	2005 Q3*	2005 Q2	2005 Q1
Revenues	$ 111,483	98,930	83,500	72,188	58,387	39,638	29,874	13,495
Cost of revenues	70,474	66,246	57,422	48,997	36,948	28,277	22,570	11,497
	41,009	32,684	26,078	23,191	21,439	11,361	7,304	1,998
Expenses								
Selling, general and administrative	22,542	15,863	11,979	9,478	12,757	5,612	2,842	1,492
Amortization of deferred financing charges	2,474	414	322	296	123	-	-	-
Amortization of intangible assets	8,099	7,299	6,247	5,307	6,288	2,841	1,433	842
Depreciation	2,174	1,327	1,570	1,404	976	688	535	367
	35,289	24,903	20,118	16,485	20,144	9,141	4,810	2,701
Income (loss) before the undernoted	5,720	7,781	5,960	6,706	1,295	2,220	2,494	(703)
Income from equity investment	871	891	562	1,017	1,113	730	-	-
Other income	964	383	112	234	76	599	-	-
Interest expense	4,245	2,555	2,091	1,602	895	216	173	211
Income tax expense (recovery)	35	77	(15)	-	-	-	-	-
Income (loss) from continuing operations	3,275	6,423	4,558	6,355	1,589	3,333	2,321	(914)
Income (loss) from discontinued operations	(56,390)	(1,099)	(3,340)	(2,424)	4,812	(514)	217	(48)
Income (loss)	$ (53,115)	5,324	1,218	3,931	6,401	2,819	2,538	(962)
Income (loss) per unit:								
Continuing Operations	$ 0.05	0.08	0.00	0.08	0.02	0.09	0.25	(0.17)
Net income (loss)	(0.74)	0.07	0.00	0.05	0.10	0.08	0.27	(0.18)
Income (loss) from continuing operations	$ 3,275	6,423	4,558	6,355	1,589	3,333	2,321	(914)
Add:								
Amortization and depreciation	13,232	9,524	8,781	7,432	7,387	3,529	1,968	1,209
Interest and income tax expenses	4,280	2,632	2,076	1,602	895	216	173	211
EBITDA from continuing operations	$ 20,787	18,579	15,415	15,389	9,871	7,078	4,462	506

¤ Figures are for Newport.

* Excludes performance fee of $44,760 for comparative purposes. Income per unit for continuing operations and net loss were $(0.88) and $(0.89) respectively including this amount. The sum of the quarterly income per unit amounts in 2005 does not equal the income per unit amounts for the full year as each quarterly amount is calculated independently and is dependent on the weighted average of units outstanding for each quarter.

SEGMENT OPERATING RESULTS

FINANCIAL SERVICES

The Financial Services segment includes our proportionate share of EZEE, ESR, NP LP, Morrison Williams, Brompton and Hargraft. NPY acquired the operations of ESR, NP LP, Morrison Williams and Brompton on closing of the Fund's IPO on August 8, 2005 and acquired Hargraft in April 2006. NPY's financial results for the corresponding period in 2005 do not reflect full period results for all investments and are not comparable.

Ezee	-	Operator of non-financial institution ATMs across Canada
ESR	-	Independent insurance underwriters and specialty managing general agents
Morrison Williams	-	Institutional money manager
Brompton	-	Asset manager of public and private investment funds
NP LP	-	Personal and corporate wealth management firm
Hargraft	-	Insurance broker specializing in liability products for commercial and high net worth clients

SUMMARY FINANCIAL TABLE ($000s)

	YEAR ENDED DECEMBER 31, 2006		YEAR ENDED DECEMBER 31, 2005	
Revenues	$	69,379	$	33,677
Cost of revenues		(30,778)		(16,886)
Gross profit		38,601		16,791
Selling, general and administrative expenses		(9,793)		(6,727)
Depreciation and amortization		(14,396)		(6,913)
Income from equity investment		2,378		1,136
Other income		1,693		146
Interest income (expense)		271		(54)
Income tax expense		(96)		-
Income for the year		18,658		4,379
Income for the year		18,658		4,379
Add:				
Depreciation and amortization expense		14,396		6,913
Amortization of Brompton intangible assets		2,036		708
Interest (income) expense		(271)		54
Income tax expense		96		-
EBITDA	$	34,915	$	12,054

SUPPLEMENTARY FINANCIAL INFORMATION – AUM ($000,000s)

	DECEMBER 31, 2006		JUNE 30, 2006		DECEMBER 31, 2005	
NP LP	$	1,147	$	1,225	$	1,211
Morrison Williams		4,638		4,621		4,408
Brompton		2,915		2,604		2,512
Total	$	8,700	$	8,450	$	8,131

(I) REVENUE

Revenue from the Financial Services segment was $69,379, compared with $33,677 in 2005.

NP LP achieved record revenues in 2006 as it benefited from a strong corporate advisory revenues earned in the third quarter, higher insurance sales to its high net worth clients, and higher fee-based revenues from its investment management services. This was achieved despite a 5% decline in a.u.m. Approximately 19% of NP LP's assets, including Newport units held in client portfolios, are invested in the income trust sector which underperformed in 2006.

Morrison Williams produced the highest revenues in its history from $4.6 billion of a.u.m. as at December 31, 2006 – a 5% increase over 2005. Strong performance of the Canadian equity markets and the addition of new accounts more than offset the negative impact of the income trust sector in which approximately 25% of Morrison Williams' a.u.m. is invested.

ESR achieved record revenues in the face of a very challenging market environment. As anticipated, commission revenue declined slightly due to intense pricing competition in the Canadian commercial liability insurance industry. More than offsetting these results were contingent profit commission revenues, of which $1,300 reported in the third quarter are non-recurring. The large amount of profit commissions in ESR's revenue mix is testimony to the company's underwriting capabilities as these revenues are calculated based on actual claims experience.

Hargraft also experienced lower commission revenues as a result of competitive pressure on premium pricing. In addition, it was impacted by an unanticipated competitive attack by a tier one insurance broker in the transportation industry, a key segment for Hargraft. Despite this difficult environment, Hargraft was successful in retaining its accounts and winning new business by providing value-added service and industry-specific expertise.

Revenues from EZEE were basically flat relative to 2005 as it successfully stabilized its Quebec-based operations which had been under competitive attack last year. The company placed more emphasis on its organic growth plan for 2006 that resulted in the addition of 250 new machines. Its acquisition plan was delayed due to inflated valuations.

(II) GROSS PROFIT

Gross profit was $38,601, which translated into a 56% gross margin. For the year ended December 31, 2005, the financial services segment produced gross profit of $16,791, which translated into a 50% gross margin. The significant contribution of the fee from NP LP's corporate wealth management project and the contribution of profit commissions combined to improve margins.

(III) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were $9,793 for the year ended December 31, 2006 – compared with $6,727 for the year ended December 31, 2005. This increase partially reflects the addition of Hargraft in 2006. These expenses as a percentage of revenue were 14%, compared to 20% in 2005.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $14,396 for the year ended December 31, 2006, against $6,913 for the year ended December 31, 2005. This reflects the increase in investments held during the year.

(V) EBITDA

The Financial Services segment produced EBITDA of $34,915 for the year ended December 31, 2006. Included in this amount is $2,300 generated by NP LP's corporate advisory project reported in the third quarter and $1,300 of non-recurring high-margin profit commissions at ESR. For the year ended December 31, 2005, EBITDA was $12,054.

Income from our equity investment in Brompton was $4,332, compared to $1,844 in the 2005 period.

ESR's EBITDA is reduced by a $2,034 retention bonus plan, which ESR records as compensation expense. However, under the terms of Newport's investment agreement, this bonus is fully paid for by the minority unitholder of ESR, resulting in higher distributable cash to Newport.

(VI) INCOME

Income for the year was $18,658 compared to $4,379 in 2005.

(VII) SEASONALITY

We have continued to refine our methodology for estimating the amount of contingent profit commission at ESR. The impact of this refinement is to lessen the impact of seasonality on the business going forward with contingent profit commissions reported gradually throughout the year compared to historically being reported in the first and second quarters.

The asset management businesses, insurance businesses and EZEE are not subject to material seasonality factors.

(VIII) OUTLOOK

Entering 2007, NP LP has a solid personal and corporate wealth management platform on which to continue its growth, however, management cannot predict the timing and magnitude of its corporate advisory fees. NP LP will look to add a.u.m. through the selective hiring of experienced relationship managers. The outlook is for moderate growth.

Morrison Williams anticipates little growth in a.u.m. in the first quarter of 2007 due to net redemptions in various income trust based funds that it manages. Positive capital market performance and new accounts may offset this as Morrison Williams entered 2007 with a new contract to manage two start-up WRAP accounts for a retail brokerage firm and a new balanced pension fund account.

Conditions in the commercial insurance market remain challenging as increased competition continues to put downward pressure on premium pricing. ESR management sees no indication of an external event that is likely to restore pricing discipline in the short term. As a result, management has budgeted for a slight decline in revenues and EBITDA for 2007. ESR has also introduced an important new Directors and Officers Liability program that it expects will generate meaningful income beginning in 2008.

Over the next 12 months, Hargraft's revenues will also be under continued pressure as the competitive environment remains tight. For 2007, Hargraft will focus on building its fledgling benefits division which management has identified as a new area of potential growth.

In January 2007, EZEE completed the acquisition of the TRM portfolio of 1,500 ATMs. This transaction is expected to be immediately accretive to EZEE's business and reduce its cost per ATM transaction through higher volumes from a total of approximately 3,800 machines. Our outlook is for improved EBITDA from moderate organic growth, certain revenue enhancements and cost reductions in 2007.

MARKETING

The Marketing segment includes our proportionate share of the results of S&E, Gemma, and Capital C for the year ended December 31, 2006. The results of IC Group are included only from August 1, 2006 and Armstrong's results from October 4, 2006. Figures for 2005 include S&E's financial results for the full year, Gemma's results for the period April 1, 2005 to December 31, 2005 and Capital C's results from August 8, 2005 to December 31, 2005. NPYs financial results for the corresponding period in 2005 do not reflect full period results for all investments and are not comparable.

S&E	-	Alternative advertising agency
Gemma	-	Outsourced contact centre operator for large corporations
Capital C	-	Marketing services agency providing solutions to multi-national clients
IC Group	-	Provider of interactive promotional solutions
Armstrong	-	North American promotional marketing company

SUMMARY MARKETING SERVICES TABLE ($000s)

	YEAR ENDED DECEMBER 31, 2006		YEAR ENDED DECEMBER 31, 2005	
Revenues	$	69,323	$	33,001
Cost of revenues		(35,531)		(19,786)
Gross profit		33,792		13,215
Selling, general and administrative expenses		(20,618)		(7,553)
Depreciation and amortization expense		(7,294)		(3,606)
Interest expense		(238)		(40)
Income for the year		5,642		2,016
Income for the year		5,642		2,016
Add:				
Depreciation and amortization expense		7,294		3,606
Interest expense		238		40
EBITDA	$	13,174	$	5,662

(I) REVENUE

Revenue for the Marketing segment was $69,323 – a 110% increase over 2005 revenues of $33,001. These results include record revenues from Capital C, Gemma and IC Group.

Capital C produced the highest revenues in its history as it continued its successful transition to a fully-integrated agency. The company earned more work from existing clients and realized on new business based on its ability to incubate brands and develop non-traditional marketing initiatives. This resulted in Capital C being awarded 2006 Agency of the Year by *Marketing* magazine and recognized for its intellectual capital and ability to deliver integrated solutions to clients.

Gemma achieved record revenues despite a challenging start to the year in which low levels of unemployment in its markets resulted in higher staff turnover, hiring and training costs. New business development, revenue optimization and facility utilization strategies implemented by management have yielded results, producing five consecutive quarters of revenue growth.

IC Group achieved record revenues in 2006 as it successfully executed its business strategy for its on-line creative and promotions division which produces interactive promotions for a diversified and growing base of global blue-chip clients. In 2006, IC Group was successful in leveraging new client relationships generated through referrals from an existing key account.

S&E's revenues showed improvement over 2005 when its operations were negatively impacted by the National Hockey League lock-out. Positive contributors were the National Hockey League play-off season and higher than expected sales from its Canadian Football League property. These gains were somewhat offset by the delay and ultimate cancellation of a major client contract in Q3.

In October, Newport invested in Armstrong, a leading North American promotional marketing company. Fourth quarter revenues reflect reduced spending by Armstrong's Canadian on-line gaming clients as changes to U.S. gaming regulation had a spillover effect on the Canadian market.

(II) GROSS PROFIT

Gross profit for the Marketing segment was $33,792 and gross profit margin was 49%. Gemma's gross profit margins showed successive improvement in every quarter as management's focus on gross margin optimization produced results. In addition, IC Group's interactive promotional revenues generated strong gross profit margins. For the prior year ended December 31, 2005, gross profit was $13,215 and gross profit margin was 40%.

(III) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the segment were $20,618. Capital C, Gemma and S&E's expenses reflected additional labour costs. General and administrative expenses for the prior year ended December 31, 2005 were $7,553. These expenses as a percentage of revenue were 30%, compared to 23% in 2005.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $7,294 for the year ended December 31, 2006 and in line with business performance, compared with $3,606 in the prior year. This reflects the increase in investments during the year.

(V) EBITDA

EBITDA from the Marketing segment was $13,174 – a 133% increase over $5,662 of EBITDA produced in the prior year. This amount primarily reflects the increase in investments during the year and the record results from Capital C.

(VI) INCOME

Income for the year was $5,642 compared to $2,016 in 2005.

(VII) SEASONALITY

Seasonality is not typically a material factor for the Marketing segment. However, the first quarter often sees higher media purchases which typically have lower margins.

(VIII) OUTLOOK

Through the merger with Kenna, and its recent acquisition of the assets of Adeo (a digital marketing company) on December 28, 2006, Capital C has positioned itself as a leader in the rapidly-growing direct to consumer marketing industry. In 2007, Capital C will focus on creating a collaborative culture among the lines of businesses, by investing in the development of cross-competencies in the labour pool. While this investment may impact gross margin percentages in 2007, it will enable the company to evolve a fully integrated customer offering and build significant competitive advantage in the marketplace. After record results in 2006, 2007 will likely be a year of consolidation in which top-line growth is largely offset by additional infrastructure and integration costs.

Having successfully overcome the labour shortages it experienced early in 2006, Gemma has entered 2007 with a solid operational base and three new contact programs awarded in the fourth quarter. Once executed, these contracts will result in an expansion and diversification of the value and scope of Gemma's client relationships. For 2007, Gemma will continue to focus on delivering the advanced specialty solutions that command higher margins, minimize competitive threats and solidify its position as a leader among Canadian contact management providers.

S&E's challenge for 2007 will be to rebuild lost revenues attributable to the cancellation of a large client contract. Our outlook is that the company will likely underperform in the short term by an amount immaterial to the Fund. To correct this, Newport has worked with management on a plan to combine S&E's offices with Armstrong's during the third quarter. This should allow S&E to exploit cross-selling opportunities with Armstrong's customer base.

The outlook for IC Group is positive. Program renewals from existing customers and the addition of new contracts should contribute to growth, particularly in the second half of the year. IC Group will also continue to focus on transitioning more of its business from project-based work to longer-term integrated loyalty and longevity programs which provide recurring revenue. IC Group's challenge will be to manage its growth as it pursues this strategy in 2007.

For 2007, Armstrong will focus on replacing revenues that it anticipates may be lost as spending by its Canadian on-line gaming clients remains uncertain, due to the spillover effect of a changed regulatory environment for on-line gaming in the United States. The Canadian on-line gaming business represented approximately 10% of Armstrong's EBITDA for fiscal 2006. In the fourth quarter, management was successful in securing two new major consumer marketing accounts that it anticipates will begin to contribute meaningfully in the second half of the year. As a result, the first two quarters will be weaker. We do not expect growth from this investment in 2007 but anticipate that distributable cash will be in line with our yield expectations of 16–20% on invested capital.

INDUSTRIAL SERVICES

The Industrial Services segment includes our proportionate share of the results of NPC for the year ended December 31, 2006, and Murray for the ten month period ended December 31, 2006. Financial results for the corresponding period in 2005 include only our proportionate share of the results of NPC, being 50% to August 8, 2005, and 80% thereafter. NPYs financial results for the corresponding period in 2005 do not reflect full period results for all investments and are not comparable.

NPC	-	Oil & gas maintenance and facility infrastructure services
Murray	-	Demolition, abatement and remediation services

SUMMARY INDUSTRIAL SERVICES TABLE ($000s)

	YEAR ENDED DECEMBER 31, 2006			YEAR ENDED DECEMBER 31, 2005
	NPC	MURRAY	Total	NPC
Revenues	$139,069	$ 47,752	$ 186,821	$ 74,495
Cost of revenues	(114,351)	(32,661)	(147,012)	(62,549)
Gross profit	24,718	15,091	39,809	11,946
Selling, general and administrative expenses	(11,237)	(8,718)	(19,955)	(5,555)
Depreciation and amortization expense	(5,416)	(3,562)	(8,978)	(2,743)
Loss from equity investment	(7)	-	(7)	-
Interest expense	(1,624)	(57)	(1,681)	(1,056)
Income for the year	6,434	2,754	9,188	2,592
Income for the year	6,434	2,754	9,188	2,592
Add:				
Depreciation and amortization expense	5,416	3,562	8,978	2,743
Interest expense	1,624	57	1,681	1,056
EBITDA	$ 13,474	$ 6,373	$ 19,847	$ 6,391

(I) REVENUE

Revenues from the Industrial Services segment were $186,821 – a 151% increase over 2005 revenues of $74,495.

NPC delivered record revenues in 2006. Revenue growth reflected the strong contribution of NPC's ongoing base maintenance business, a higher than anticipated number of facility maintenance turnarounds in the first quarter, and the execution of several large facility construction projects. The latter was achieved in spite of reduced construction activity by natural gas exploration and production companies in the third and fourth quarters.

Murray, which has been in Newport's portfolio since March, delivered revenue performance as a result of its success in winning several large industrial projects, broadening its clients base and earning repeat business from existing customers. Also included in the revenue mix is a high component of scrap metal sales.

(II) GROSS PROFIT

Gross profit was $39,809 for the year ended December 31, 2006 – a 233% increase over $11,946 in gross profit for the prior period. Gross margins were 21% compared to 16% in 2005 and reflect the addition of Murray which has slightly higher gross profit margins.

NPC was successful in maintaining gross profit margins in line with revenue growth. However, gross profit margins in the third and fourth quarters were slightly lower than the first two quarters of the year, due to the higher component of lower-margin base maintenance work in the revenue mix.

Murray's gross profit margins were consistent with its past performance.

(III) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were $19,955 for the year ended December 31, 2006. For the previous year, these expenses were $5,555. These expenses as a percentage of revenue were 11%, compared to 7% in 2005.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $8,978 for the year ended December 31, 2006 compared with $2,743 for the year ended December 31, 2005. The increase primarily reflects the addition of Murray to the portfolio in March 2006.

(V) EBITDA

The Industrial Services segment produced $19,847 of EBITDA – a 211% increase over $6,391 of EBITDA earned in the prior year. The increase reflects the inclusion of Murray's results and growth from NPC. NPC achieved approximately 20% organic EBITDA growth from its existing operations while approximately $3,000 of 2006 EBITDA was generated by acquisitions it made in late 2005 and early this year.

(VI) INCOME

Income for the year was $9,188 compared to $2,592 in 2005.

(VII) SEASONALITY

NPC's revenues and profits are impacted by seasonality and weather conditions. For example, severe winter conditions and excessively rainy periods can delay equipment moves and thereby adversely affect revenues. Spring break-up typically occurs in March and April leaving many roads temporarily incapable of supporting heavy equipment travel thereby negatively impacting NPC's business.

Murray's business is not subject to material seasonal variance, however due to the timing of large contracts quarterly results can fluctuate.

(VIII) OUTLOOK

NPC has a diversified operational base that provides recurring revenues from ongoing base maintenance work performed at lower margins combined with annual facility turnarounds and higher-margin construction facility projects. This diversification strategy has helped NPC to minimize direct exposure to commodity prices and deliver relatively consistent financial results over its history. For 2007, NPC expects a strong maintenance and shutdown season based on its currently contracted work. This will be offset by the current soft market for natural gas prices and a weak drilling season in the first quarter that will adversely affect NPC's results. Overall, management has budgeted for a modest decline in its financial results for 2007. However, an increase in natural gas prices could provide upside.

In addition, in January 2007 NPC made a strategic acquisition in Skystone, a business providing engineering, technical and management services for the oil and gas sector. For its fiscal year ended December 31, 2006, Skystone generated revenues and normalized EBITDA of approximately $8.8 million and $2.2 million, respectively. Skystone adds a design and engineering component to NPC's oil and gas services business which NPC believes is a strong strategic fit that will enhance its service offering.

Murray is well positioned with a strong backlog of work and a robust pipeline of new project opportunities for 2007 along with cross-selling opportunities and synergies from its merger with Quantum which was completed subsequent to year end. The combined entity, Quantum Murray, is a leading national decommissioning and environmental remediation firm with annual revenues of approximately $140 million. Newport has a priority on $11.1 million of distributable cash from the combined entity in both 2007 and 2008. Newport expects Q1 will be softer, as several large projects have been delayed.

OTHER

This is a newly created segment for NPY. The Other segment includes our proportionate share of the results of Peerless for the seven month period ended December 31, 2006, and Titan for the four month period ended December 31, 2006. Previously, these businesses were reported under the Industrial Services segment. RLogistics' equity accounted results are from May 1, 2006. Gusgo's financial results are included from October 25, 2006. No comparable 2005 results are provided as the investments were part of the portfolio starting in 2006.

RLogistics	-	Wholesaler and liquidator of electronic products
Peerless	-	Manufacturer of protective harsh weather outerwear for military personnel
Titan	-	Manufacturer and distributor of rigging and ground engaging tool products
Gusgo	-	Provider of intermodal freight services

SUMMARY OTHER TABLE ($000s)

		YEAR ENDED DECEMBER 31, 2006
Revenues	$	40,579
Cost of revenues		(29,818)
Gross profit		10,761
Selling, general and administrative expenses		(4,985)
Depreciation and amortization expense		(2,759)
Income from equity investment		970
Interest expense		(934)
Income for the year		3,053
Income for the year		3,053
Add:		
Depreciation and amortization expense		2,759
Interest expense		934
EBITDA	$	6,746

(I) REVENUE

Revenues from this segment were $40,579 for the year.

Peerless has been in the portfolio since June 2006. Revenues were impacted by a delay in the exercise of order options by government entities in the third quarter and shipping delays by a sub-contractor in the fourth quarter. Some of these revenues should be realized in the first quarter of 2007.

Titan has been in the portfolio since September 2006. Revenues reflect reduced activity in the exploration and drilling segment of the Alberta energy sector in the fourth quarter. Severe weather, which increases demand for Titan's snow removal products and wear parts for heavy equipment, was partially offsetting.

Gusgo has been in the portfolio since October 2006. Revenues were weaker than expected as congestion at the Vancouver port reduced the amount of container traffic and in some cases diverted shipments to U.S. ports and carriers.

(II) GROSS PROFIT

Gross profit was $10,761 for the year ended December 31, 2006.

(III) GENERAL AND ADMINISTRATIVE EXPENSES

General and Administrative Expenses were $4,985 for the year ended December 31, 2006.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $2,759 for the year ended December 31, 2006.

(V) EBITDA

EBITDA for this segment was $6,746 as revenue performance affected the bottom line. Income from Newport's equity interest in RLogistics produced $970 for the eight months of the Fund's investment.

(VI) INCOME

Income for the year was $3,053.

(VII) SEASONALITY

Peerless' business is not subject to material seasonal variance. However, due to the timing of large government contracts, annual revenues and EBITDA can sometimes fluctuate significantly.

Titan's business is positively impacted by severe cold and harsh weather conditions that create increased demand for replacement parts on heavy equipment and snow-removal related products. The first and fourth quarters are the strongest.

Seasonality is not typically a material factor for Gusgo.

(VIII) OUTLOOK

Peerless' management expects some of the delayed revenues of 2006 will materialize in the first quarter as one significant sub-contractor has restored capacity. Peerless is the dominant supplier of military gear for the federal government however the size and timing of its contracts can be difficult to predict with certainty. Peerless has recently opened new distribution channels to sell its products to the oil and gas industry and trade professionals. These efforts are showing promise and a small contribution is expected from this area in 2007.

For the first quarter 2007, Titan's results will be impacted by the pronounced slowdown in oilfield and natural gas drilling in Alberta as it supplies products to this sector. For the full year, Titan should benefit from the anticipated continuation of a strong construction industry, growth in the Fort McMurray market due to tar sands activity and the contribution from Titan's new office in Nisku, Alberta (opened in November 2006). As reported in the third quarter, an ongoing challenge for Titan will be to attract and retain qualified personnel in the very competitive Alberta marketplace.

Gusgo's first quarter results will be negatively impacted by the CN Rail strike which has reduced traffic volumes. Management is focused on replacing these revenues in 2007 through expanding business from a high-potential account it has recently acquired and a new business development strategy that targets shipments from U.S. Atlantic ports.

CORPORATE

The Corporate segment includes NPY's head office administrative and legal costs, as well as interest costs.

SUMMARY CORPORATE TABLE ($000s)

	YEAR ENDED DECEMBER 31, 2006	YEAR ENDED DECEMBER 31, 2005
Selling, general and administrative expenses	$ (4,513)	$ (1,860)
Amortization of deferred financing charges	(3,506)	(123)
Interest expense	(7,911)	(385)
Loss for the year	(15,930)	(2,368)
Loss for the year	(15,930)	(2,368)
Add:		
Amortization of deferred financing charges	3,506	123
Interest expense	7,911	385
EBITDA	$ (4,513)	$ (1,860)

(I) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were $4,513 for the year ended December 31, 2006. This compares to $1,860 for 2005, the majority of which was incurred after August 8, 2005. Expenses for 2006 were in line with expectations and include accounting and audit fees of $1,205 ($546 for 2005), salaries of $1,065 ($298 for 2005), insurance of $461 ($63 for 2005) and trustee fees of $240 ($16 for 2005), respectively. NPY's expenses also include office and administration costs. All expenses are paid for by NPY and the Fund is allocated its prorata share.

(II) AMORTIZATION

Amortization expenses were $3,506 for year ended December 31, 2006. These expenses reflect the amortization of deferred financing charges. Financing charges related to the issue of the convertible debentures and the credit facilities are amortized over five years representing their original term. Expenses in 2006 include $1,917 relating to the expensing of unamortized deferred financing charges relating to the bank credit facility which was repaid in December 2006.

(III) INTEREST EXPENSE

Interest expense of $7,911 represents expense primarily relating to the credit facility and the convertible debentures. The revolving credit facility and investment facility provided by a syndicate of Canadian banks was repaid in December 2006 and replaced with a new facility. The new facility is a Senior Credit Agreement with an affiliate of Fortress. The new facility consists of three components: a $75,000 revolving credit facility with a five year maturity; a $170,000 five-year term loan; and a $75,000 DDTL that Newport may access during the next two years. The interest rate on the revolving credit facility is BA plus 2.50% and the term loan and DDTL are priced off of LIBOR, and depending on leverage levels, the additional margin is between 3.50% and 4.95%.

(IV) LOSS

The loss for the year was $15,930 compared to $2,368 in 2005.

ADDITIONAL INFORMATION - NPY

CONTRACTUAL OBLIGATIONS ($000s)

	2007	2008	2009	2010	Thereafter	Total
Interest expense	22,324	22,324	22,324	22,324	15,987	105,283
Long-term debt	-	-	-	-	170,000	170,000
Convertible debenture	-	-	-	84,500	-	84,500
Capital lease obligations	4,535	2,461	1,154	424	147	8,721
Operating leases	6,278	5,535	3,820	2,640	8,860	27,133
Total contractual obligations	33,137	30,320	27,298	109,888	194,994	395,637

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of December 31, 2006, directors, officers and employees of the general partner and entities related to NPY hold an aggregate of 25,896,362 NPY and Newport units or 35% on a fully diluted basis.

TRANSACTIONS

NPY provides funding to the Operating Partners to fund working capital requirements. Advances bear interest at the rate of prime plus one percent, are unsecured and have no fixed terms of repayment.

An employee loan was made by NPY to an executive of EZEE in the amount of $250 of which $221 is outstanding. In accordance with the terms and conditions of the loan, the loan was used to purchase units in NPY.

Employee loans were made by NPY in the aggregate amount of $825 of which $780 remains outstanding at December 31, 2006. Subsequent to year end, NPY advanced $1,235 to certain employees. In accordance with the terms and conditions of the loans, the loans were used to purchase units of Newport and are full recourse loans secured by the units and carry interest at prime.

OFF BALANCE SHEET ITEMS

NPY has $16,064 of letters of credit outstanding at December 31, 2006. The letters of credit secure cash management services provided by Royal Bank of Canada as well as bonding facilities provided by Aviva Insurance Company of Canada.

SUBSEQUENT EVENTS

NEW INVESTMENTS (DOLLAR AMOUNTS IN $000s)

STRATEGIC ACQUISITIONS BY OPERATING PARTNERSHIPS ($000s)

SEGMENT	DATE	INVESTMENT	CAPITAL INVESTED
Financial Services	12-Jan-07	**EZEE** acquired the Canadian ATM assets of **TRM Corp**. This added approximately 1,500 operating ATM locations to EZEE's portfolio resulting in a total of approximately 3,800 locations across Canada.	$ 13,300
Industrial Services	3-Jan-07	**Murray** purchased the assets of **Quantum**, a nationally recognized leader in the clean-up and rehabilitation of commercial and industrial sites and facilities providing a wide range of services including site remediation, hazardous materials abatement, and treatment and disposal of waste materials.	28,500
	13-Mar-07	**NPC** acquired 80% interest in **Skystone**, a provider of facilities design and engineering services to the oil and gas sector.	7,700
Total			$ 49,500

Financial Services

On January 12, 2007, Newport provided the capital for its operating partner, **EZEE**, to acquire the Canadian ATM assets of **TRM** for $13.3 million. The acquisition represented an excellent opportunity for EZEE to continue to execute its consolidation plan. The transaction, EZEE's thirteenth acquisition since its founding in 2001, added approximately 1,500 operating ATM locations to its portfolio, bringing its total to approximately 3,800 locations across Canada.

The addition of TRM's ATM assets is expected to improve EZEE's gross profit margin through lower costs per transaction. The acquisition also adds geographic diversification of EZEE's ATM portfolio, particularly in Ontario.

Industrial Services

On January 3, 2007, **Murray** acquired the assets of **Quantum** for $50 million, creating a leading full-service, national decommissioning and environmental remediation firm. They will carry on business on a combined basis as Quantum Murray.

Under the terms of the transaction, Quantum shareholders received $28.5 million in cash and $21.5 million in units of Murray. Newport now owns a 62% interest in the merged company with the remaining 38% interest controlled by the management of Quantum Murray. These management unitholders have subordinated their interest in Quantum Murray's cash flows to Newport's interest for a period of up to two years following closing. Newport's annual priority income from the investment under the subordination provision is $11.1 million. With $59 million invested in the combined entity, this represents an expected cash-on-cash return on invested capital of 19%.

Quantum was founded in 1992 by current president Jeff Westeinde and Doug Wynn, the president of Quantum's Hazmat division who, along with Brian Stuckert, were the principal shareholders of Quantum.

Quantum provides a wide range of services including site remediation, hazardous materials abatement, and treatment and disposal of waste materials. The company was contracted to perform more than 200 projects in 2006 and currently has 250 employees.

Key strengths of the Quantum Murray combination include: expanded service offering and cross-selling opportunities, broader geographical scope and customer penetration, and significant opportunities for organic growth.

Under the combined entity, Jeff Westeinde will be Chief Executive Officer and Shawn Murray, currently Chief Executive Officer of Murray will be President of Quantum Murray.

On March 13, 2007, **NPC** acquired an 80% interest in **Skystone**, for $7.7 million.

Founded in 1997 to meet the needs of companies that must maintain the integrity of their pressure equipment and process containment systems, Skystone provides a complete, comprehensive engineering, technical and management service for the maintenance of process containment systems to over 50 oil and gas production and processing companies.

Skystone has over 70 employees and their head office is located in Calgary, Alberta. The business is largely based on recurring revenue contracts that are often required to be performed by law. The business has low requirements for capital expenditures.

For its fiscal year ended December 31, 2006, Skystone generated revenues and normalized EBITDA of approximately $8.8 million and $2.2 million, respectively.

Skystone adds a design and engineering component to NPC's oil and gas services business which NPC believes is a strong strategic fit that will enhance its service offering.

NORMAL COURSE ISSUER BID

Subsequent to year end, under the terms of its NCIB, Newport purchased and cancelled a total of 627,500 units with an average purchase price of $6.42.

OUTLOOK

For 2007, we expect organic growth from the portfolio to be flat to slightly negative as the slowdown in the Alberta oil and gas sector and the soft commercial insurance market environment will negatively affect the financial results of some of our larger holdings that operate in these industries, specifically NPC, Titan, ESR and Hargraft. In our Marketing segment, the outlook is favourable for growth at IC Group and Gemma while Armstrong and S&E will be focused on replacing lost revenues from client attrition. Capital C expects top-line growth offset by higher integration costs. Our asset management businesses have budgeted for modest growth but the capital markets will be a key driver of their performance. The contribution from discontinued operations in the first quarter is expected to be generally consistent with the contribution of the prior year.

With the addition of strategic acquisitions made in January, Newport's current EBITDA 'run rate' has increased. For the twelve month period ended December 31, 2006, the Fund's share of the LTM EBITDA produced by all of its holdings as of the date of this report was $98.2 million. Given our planned investment program we expect that interest costs will be higher in 2007.

Our outlook is favourable for growth in 2007 from our investment program. For the current fiscal year, we plan to invest between $100-$150 million of new capital (inclusive of year to date investments of $49.5 million) at generally five to six times cash flow multiples. Our investment pipeline currently has a number of quality opportunities in various stages of review and the Newport Partners brand continues to gain strength and awareness among entrepreneurs as a good financial partner. We believe we have the scalability and management capacity to monitor an expanded portfolio. Using the credit agreement completed in December 2006, and expected proceeds from the sale of RGC, we believe we have the funding capacity we require to execute this plan.

Newport's first quarter outlook is that results will be significantly weaker than the subsequent three quarters of the year. This is due primarily to three factors: the seasonality and timing of large contracts at Quantum Murray; the current soft market for natural gas prices and a weak drilling season that adversely impact business levels at NPC and Titan; and the reduced seasonality of contingent profit commissions from ESR and Hargraft, which are now recognized gradually throughout the year. In the first quarter of 2006, ESR received approximately $2 million of contingent profit commissions that had been budgeted for subsequent quarters. In addition the timing of new investments that are expected to be made during the course of the year should positively impact results in subsequent quarters.

Newport's distribution policy is reviewed by the Fund's Trustees. The current level of distributions, at an annualized rate of $1.00 per unit, is being maintained. It is our expectation that distributable cash from our current holdings and new investments that will be added to the portfolio in 2007, will allow the Fund to make progress on closing the gap caused by the underperformance of RGC.

In light of the federal government's proposed tax policy changes regarding income trusts, we are reviewing the organizational structure that will create the maximum long-term value for unitholders. Whether the Fund's organizational structure takes the form of an income trust or a high dividend paying entity, we expect to continue with its business plan.

RISK FACTORS - NEWPORT

Our financial results are impacted by the performance of each of our Operating Partnerships and various external factors influencing the environments in which they operate. While stronger performance by one of the portfolio businesses may compensate for weaker performance by another of the portfolio businesses, any negative effects on the financial condition or results of operations of a portfolio business has a negative effect on the financial condition or result of operation of the Fund. The business and operations of Newport are affected by many factors, including those set out below.

INVESTMENT RISK

Our strategy is to invest in successful entrepreneurs operating high-quality businesses that generate sustainable cash flows. There is risk that we could invest in either an entrepreneur or a business that fails to meet our performance expectations over the medium to long term. We believe we mitigate this risk through the application of our investment partnership criteria and our disciplined investment process. By avoiding heavily-leveraged, capital intensive businesses, we also aim to preserve our capital. We prefer to invest with entrepreneurs who are known to us personally or through our network. In all cases, we must be confident of management's competence and character before investing. Investment risk is also offset by diversification of our investment portfolio which reduces the impact of any one particular cash flow source. We have also been successful at negotiating a subordination feature with most of our businesses that gives Newport a priority distribution on its cash flows.

As asset managers we may wish to divest an investment that is not meeting our targeted rate of return. Given that our investments are in private businesses which are illiquid, we may not be able to.

BUSINESS VALUATIONS

Historically, we have been able to invest in excellent private businesses at prices that are accretive to unitholders. There is no certainty that we will continue to be able to invest at the same level of attractive valuations. Market conditions, competitive factors, and the availability of suitable investments will have some impact on the prices at which we are able to acquire additional cash flows. We believe, however, that the sum of benefits we offer to the entrepreneur, along with our partnership style of operating, is a unique value proposition that will continue to attract high quality businesses to our fold at accretive prices.

CONDITION OF CAPITAL MARKETS

The condition of the capital markets represents two risks to Newport. First, we have an ongoing investment program that requires capital. There can be no assurance that this financing will be available when required or available on terms that are favourable to Newport. This has the potential to hamper our growth. We have replaced our short-term credit facility with a longer one to provide financing of new investments.

The condition of the capital markets also impacts the revenues and profits of our asset management businesses. We believe we have strong management teams operating these businesses, each with decades of experience in capital markets.

DEPENDENCE ON KEY PERSONNEL

The success of Newport and of each of its operating partnerships depends on their respective senior management teams. The loss of services of key personnel could have a material adverse affect on Newport and/or on one of its operating partnerships. Newport has implemented a keyman insurance program and has not experienced significant attrition at the senior management level.

GENERAL ECONOMIC FACTORS

Newport's business and the businesses of each of our Operating Partnerships are subject to changes in general economic conditions including but not limited to, recessionary or inflationary trends, equity market levels, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence. We believe the risk from general economic factors is reduced by having a diverse source of cash flows from businesses that perform differently at different points in the cycle. We also moderate general economic factor risk by maintaining a conservative balance sheet with prudent use of debt and by investing in companies with histories of profitability through market cycles.

LIMITED CUSTOMER BASES

Each of the portfolio businesses derives a significant portion of its revenues from a limited customer base. If one or more of the significant customers of such portfolio businesses were to cease doing business with them, or significantly reduced or delayed its purchase of services, the financial condition and results of operations of such portfolio business could be materially adversely affected.

ENVIRONMENTAL LEGISLATION

Environmental matters are subject to regulation under a variety of federal, provincial, territorial, state and municipal laws relating to health and safety and the environment. Management believes that the portfolio businesses are in material compliance with applicable environmental legislations; however, regulation is subject to change and, accordingly, it is impossible to predict the costs of compliance with new laws or the effects that changes would have on the portfolio businesses or their future operations.

Among the portfolio businesses, management believes that the risk of non-compliance with environmental regulation is greatest for the businesses in the Industrial Services and Other segments.

LABOUR

The success of the Fund depends on the ability of the portfolio businesses to maintain their respective productivity and profitability. The productivity and profitability of the portfolio businesses may be limited by their ability to employ, train and retain the skilled personnel necessary to meet their respective requirements. None of the portfolio businesses can be certain that they will be able to maintain the adequate skilled labour force necessary to operate efficiently and to support their growth strategies. As well, none of the portfolio businesses can be certain that their labour expenses will not increase as a result of shortage in the supply of these skilled personnel. Labour shortages or increased labour costs could impair the ability of a portfolio business to maintain or grow its respective portfolio business.

INTEREST RATE RISK

Our credit facility is referenced to the BA and LIBOR rates. Increases in rates could negatively impact our operating results.

PROPOSED CHANGES TO THE INCOME TAX RULES

On October 31, 2006, the Department of Finance announced that income tax rules applicable to publicly traded trusts and partnerships will be significantly modified. In particular, certain income of (and distributions made by) these entities will be taxed in a manner similar to income earned by (and distributions made by) a corporation. These proposals will be effective for the 2007 taxation year with respect to trusts which commenced public trading after October 31, 2006, but the application of the rules will be delayed to the 2011 taxation year with respect to trusts which were publicly traded prior to November 1, 2006 (although the announcement suggested that this transitional relief could be lost under certain circumstances, including the “undue expansion” of an income trust). On December 21, 2006, the Department of Finance issued for public comment the draft legislation to implement these proposals. There is no assurance that the draft legislation will be enacted in the manner proposed or at all.

On December 15, 2006, the Department of Finance released guidance for income trusts and other flow-through entities that qualify for the four-year transitional relief. The guidance establishes objective tests with respect to how much an income trust is permitted to grow without jeopardizing its transitional relief. In general, the Fund will be permitted to issue new equity over the next four years equal to its market capitalization as of the end of trading on October 31, 2006 (subject to certain annual limits). Market capitalization, for these purposes, is to be measured in terms of the value of the Fund’s issued and outstanding publicly-traded units. If these limits are exceeded, the Fund may lose its transitional relief and thereby become immediately subject to the proposed rules.

The Fund is considering these announcements and the possible impact of the proposed rules to the Fund and is reviewing its strategic options. The proposed rules (including the guidance released on December 15, 2006) may adversely affect the marketability of the Fund’s units and the ability of the Fund to undertake financings and acquisitions, and, at such time as the proposed rules apply to the Fund, the distributable cash of the Fund may be materially reduced.

If the proposed changes to the taxation of publicly traded trusts and partnerships are enacted, this will result in the recording of future taxes at the substantively enacted tax rates in respect of temporary differences of the Fund that are expected to reverse after the date the changes take effect.

DEPENDENCE ON NPY

The Fund is an open-ended, limited purpose trust, which is, for purposes of its income, entirely dependent on NPY’s interests in the Operating Partnerships. Although the Fund intends to distribute the interest on the Trust Notes and distributions on the Trust Units earned by the Fund, less expenses and amounts, if any, paid by the Fund in connection with the redemption of Fund units, there can be no assurance regarding the Fund’s ability to make distributions, which remains dependent upon the ability of the Trust to pay its interest obligations under the Trust Notes and to pay distributions or other returns of capital in respect of the Trust Units, which ability, in turn, is dependent upon NPY and the operations and assets of the Operating Partnerships.

POTENTIAL FUTURE DEVELOPMENTS

Management of the Fund, in the ordinary course of business, regularly explores potential strategic opportunities and transactions. The public announcement of any of these or similar strategic opportunities or transactions might have a significant effect on the price of the Fund's securities. The Fund's policy is not to publicly disclose the pursuit of a potential strategic opportunity or transaction unless and until a definitive binding agreement is reached. There can be no assurance that investors who buy or sell securities of the Fund are doing so at a time when the Fund is not pursuing a particular strategic opportunity or transaction that, when announced, would have a significant effect on the price of the Fund's securities.

RISK FACTORS - UNITHOLDERS

UNPREDICTABILITY AND VOLATILITY OF FUND UNIT PRICE

A publicly traded income trust will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the fund units will trade cannot be predicted. The market price of the Fund units could be subject to significant fluctuations in response to variations in quarterly operating results, distributions and other factors. The annual yield on the Fund units as compared to the annual yield on other financial instruments may also influence the price of Fund units in the public trading markets. In addition, the securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Fund units.

NATURE OF FUND UNITS

The Fund units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that act of any other legislation. Furthermore, the Fund is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company. In addition, although the Fund qualifies as a "mutual fund trust" as defined in the Tax Act (as of the date hereof), the Fund is not a "mutual fund" as defined by the securities legislation.

Securities like the Fund units are hybrids in that they share certain attributes common to both equity securities and debt instruments. The Fund units do not represent debt instruments and there is no principal amount owing to Fund unitholders under the Fund units. As holders of Fund units, Fund unitholders do not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions. Each Fund unit represents an equal, undivided, beneficial interest in the Fund. The Fund's principal assets are Trust Units and Trust Notes. The price per Fund unit is a function of the Fund's anticipated distributable cash at any time, which is, in turn dependent on the distributable cash distributed upstream by the Operating Partnerships.

CASH DISTRIBUTIONS

Cash distributions are not guaranteed and will fluctuate with the performance of business of the Fund. Although the Fund intends to distribute the income earned by the Fund, less expenses and amounts, if any, paid by the Fund in connection with the redemption of Fund units, there can be no assurance regarding the amounts of cash distributions distributed upstream by the Operating Partnerships and, thus, eventually available for distribution. The actual amount of distributions paid in respect of the Fund units will depend upon numerous factors, all of which are susceptible to a number of risks and other factors beyond the control of the Fund and the Operating Partnerships. Distributions are not guaranteed and will fluctuate with the performance of each of the Operating Partnerships. The Operating Partnerships, and NPY have the discretion to establish cash reserves (including regulatory capital reserves) for the proper conduct of their business. Adding to these reserves (including regulatory capital reserves) in any year would reduce the amount of distributable cash and, hence, of cash available for distributions by the Fund.

RESTRICTIONS ON POTENTIAL GROWTH

The payout by the Operating Partnerships of a high proportion of their operating cash flow will make additional capital and operating expenditures somewhat dependent on increased cash flow or additional financing in the future. Lack of those funds could limit the future growth of the Operating Partnerships and their cash flow.

LIMITATION ON NON-RESIDENT OWNERSHIP

The Fund Declaration of Trust imposes various restrictions on Fund unitholders. Non-resident (as defined in the Fund Declaration of Trust) Fund unitholders are prohibited from beneficially owning more than 45% of Fund units (on a non-diluted and fully diluted basis). These restrictions may limit (or inhibit the exercise of) the rights of certain Persons (as defined in the Fund Declaration of Trust), including Non-residents, to acquire Fund units, to exercise their rights as Fund unitholders and to initiate and complete take-over bids in respect of the Fund units. As a result, these restrictions may limit the demand for the Fund units from certain Fund unitholders and thereby adversely affect the liquidity and market value of the Fund units held by the public.

INVESTMENT ELIGIBILITY

There can be no assurance that the Fund units will continue to be qualified investments for registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and registered education savings plans under the Tax Act. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

INCOME TAX MATTERS

There can be no assurance that Canadian federal income tax laws and administrative policies respecting the treatment of mutual fund trusts will not be changed in a manner, which adversely affects Fund unitholders.

Currently, a trust will not be considered to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless all or substantially all of its property is other than taxable Canadian property as defined in the Tax Act. On September 16, 2004, the Minister of Finance released draft amendments to the Tax Act. Under the draft amendments, a trust would lose its status as a mutual fund trust if the aggregate fair market value of all units issued by the trust held by one or more non-resident persons or partnerships that are not Canadian partnerships is more than 50% of the aggregate fair market value of all the units issued by the trust where more than 10% (based on fair market value) of the trust's property is taxable Canadian property or certain other types of property. If the draft amendments are enacted as proposed, and if, at any time more than 50% of the aggregate fair market value of the Fund units were held by non-residents and partnerships other than Canadian partnerships, the Fund may lose its mutual fund trust status. On December 6, 2004, the Department of Finance tabled a Notice of Ways and Means Motion, which did not include these proposed changes. The Department of Finance indicated that the implementation of the proposed changes would be suspended pending further consultation with interested parties.

Individual business risks are outlined in our AIF – a copy of which is available
for download from our website www.newportpartners.ca and on SEDAR www.sedar.com

DISCLOSURE CONTROLS & PROCEDURES

Our disclosure controls and procedures are designed to provide reasonable assurance that all relevant information required to be disclosed by us is recorded, processed, summarized and reported within the time periods specified in the securities legislation so that the information is accumulated and communicated to the management, including the President, CEO and CFO, to allow timely decisions regarding required disclosure. Based on an evaluation of the Newport's disclosure controls and procedures, Newport's President and CEO and CFO have concluded that these disclosures controls and procedures operated effectively as at December 31, 2006 to ensure that all material information relating to Newport has been made known to them.

Internal control over financial reporting, designed by management, has the objective of providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP. No changes were made to our internal control over financial reporting for the most recent interim period ended December 31, 2006, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ADDITIONAL INFORMATION

Additional information relating to the Fund, including the AIF, is on SEDAR at www.sedar.com

DEFINITIONS

"Adeo" - Adeo Communications Corporation
"AIF" – Annual Information Form
"Armstrong" - Armstrong Partnership LP
"a.u.m." - Assets Under Management
"Brompton" - Brompton Funds LP
"Capital C" - Capital C Communications LP and Kenna Group LP
"CEO" – Chief Executive Officer
"CICA" - Canadian Institute of Chartered Accountants
"CFO" – Chief Financial Officer
"DDTL" – Delayed-draw Term Loan
"ESR" - Elliott Special Risks LP
"EZEE" - Ezee ATM LP/On-site LP
"Fortress" – Fortress Credit Corp.
"GAAP" - generally accepted accounting principles
"Gemma" - Gemma Communications LP
"Gusgo" - Gusgo Transport LP
"Hargraft" - Hargraft Schofield LP
"IC Group" - IC Group LP
"IPO" - Initial Public Offering
"IRR" – Internal Rate of Return
"Kenna" - Kenna Group LP
"Lead Director" – Newport principal responsible for liaison with the operating partner
"LTM" – Last Twelve Months
"MD&A" - Management's Discussion and Analysis
"Morrison Williams" - Morrison Williams Investment Management LP
"Murray" - Murray Demolition LP
"NCIB" – Normal Course Issuer Bid
"NP LP" - Newport Partners LP
"NPC" - NPC Integrity Energy Services Limited Partnership
"Newport" or "the Fund" - Newport Partners Income Fund
"NPY" - Newport Private Yield LP
"Operating Partnerships" – businesses in which Newport holds an ownership interest
"Peerless" - Peerless Garments LP
"Quantum" – Quantum Environmental Group Inc.
"Quantum Murray" – Quantum Murray LP
"RGC" - Redmond Group of Companies LP (formerly Jutan Limited Partnership)
"RLogistics" – RLogistics LP
"S&E" - Sports and Entertainment Limited Partnership
"Skystone" - Skystone International LP
"SW" – SW International Ltd.
"Tax Act" – the *Income Tax Act (Canada)* as may be amended from time to time
"Titan" - Titan Supply LP
"TRM" – TRM Corp.
"Trust" – Newport Partners Commercial Trust
"TSX" – Toronto Stock Exchange
"Waydex" - Waydex Services Inc.