Dear Fellow Unitholders:

During the first quarter, the Fund produced revenue and adjusted EBITDA of $116.2 million and $16.8 million respectively – compared with $72.2 million and $15.4 million in the prior year period. Distributable cash per unit was $0.16 from continuing operations – against $0.20 in the prior year period. Including discontinued operations, distributable cash per unit was $0.13 compared with $0.19 in 2006.

In our annual report, we indicated that we anticipated the first quarter to be our weakest quarter in 2007 and these results are pretty much in line with our expectations.

Results from continuing operations reflect the timing of profit commissions in our insurance operations as described in our annual report and the previously reported slowdown in the Alberta energy sector which reduced distributable cash results from NPC and Titan by approximately $0.03 per unit.

The timing of contingent profit commissions from ESR resulted in the contribution from these revenues in the first quarter being approximately $0.04 of distributable cash lower than in the prior year period. This is only a timing variance that should be resolved in future quarters as ESR's management expects the contribution of contingent profit commissions for 2007 to be generally comparable with 2006 levels.

As reported at year-end, NPC management is expecting a modest reduction in its overall financial results for 2007. This outlook remains unchanged based on currently contracted work and project opportunities in the second quarter and the balance of the year. Titan management has reduced its budget expectations for the year by an amount immaterial to the Fund based on its view of an unchanged market environment. An increase in natural gas prices could provide upside for both companies.

Results from discontinued operations, RGC reduced distributable cash per unit by $0.02 compared with the prior year period as it faced continuing challenges.

During the period, $5.3 million of EBITDA was contributed by operating partnerships added subsequent to March 31, 2006. Net of financing costs, we estimate approximately $0.03 of distributable cash was produced by these accretive investments.

Outlook for the Fund Remains Unchanged
Based on these first quarter results, our outlook remains unchanged. We like the current composition of our portfolio for its earnings ability and the diversification it provides. We expect flat to slightly negative organic growth from these holdings in fiscal 2007.

We have divested our one underperforming investment effective April 30th. However, we do not expect an improvement in RGCs results during the one month we continued to hold this investment in the second quarter.

Our outlook is favourable for growth from our investment program as we continue to deploy capital to expand existing operating partnerships and to make new investments that add income and growth potential to the Fund.

LTM Unlevered Annualized Yield of 18.0%
Overall, the portfolio continues to meet our income objectives. The annualized unlevered yield from continuing operations for the twelve month period ended March 31, 2007 was 18.0%, or 14.2% including discontinued operations.

Investment Program Provides Growth Potential
During the quarter, we invested a total of $53.5 million of new capital – $4 million for the re-purchase and cancellation of 627,500 units under our NCIB and $49.5 million for new investments that add income, diversification and growth potential to the portfolio. Newport's share of

normalized LTM EBITDA as at March 31, 2007, produced by its 18 current holdings as of the date of this report is $97.3 million.

Value Enhancement from Strategic Acquisitions

The strategic acquisitions completed by Murray, EZEE and NPC during the quarter not only add to the portfolio's EBITDA, and provide attractive yields on our invested capital, they also have the potential to significantly enhance the asset value of those companies. Newport's share of the combined LTM EBITDA of these three holdings is approximately $29 million. If one assumes the strategic value has been enhanced by a multiple of one to two times LTM EBITDA as a result of these companies being larger and more dominant in their markets, then the value creation is potentially $29-58 million. This is not reflected on our balance sheet as we do not mark our investments to market, but it is an important factor in assessing the growing strength of the portfolio.

Increased Strength in Commercial Insurance

Subsequent to quarter end, we further diversified the portfolio with an $18.2 million investment in BMI, a commercial insurance broker. The fact that we were able to make this investment at approximately 5.5 times historical distributable cash -- a significant discount to recent industry valuations -- is, we believe, testimony to Newport's unique value proposition for the entrepreneur. In this case, BMI management was intent on maintaining a significant equity interest and preserving the company's independence and business model. They were willing to accept a lower valuation today with the objective of creating greater long-term value with Newport's assistance. It is worth noting that, with the addition of BMI, the three insurance businesses in our portfolio now collectively place approximately $300 million of premiums for commercial and corporate Canada.

We funded our investment program through our credit facility with Fortress. At quarter end, our net debt to LTM EBITDA was approximately 2.44 times. With the sale of RGC the net debt to EBITDA is currently approximately 2.20 times.

Finally, during this past quarter we marked the third anniversary of the genesis of Newport, NPY – the private fund created to provide investors with access to the income and growth potential of Canadian private equity. Then, as now, our objective was to invest in great entrepreneurs managing well-established, cash-flow producing businesses with good growth potential at accretive prices. Over the three year period, this strategy has produced a total compound annualized return for investors of more than 30% as at March 31, 2007.

We believe that if we can continue to execute our business plan as we have done each year for the past three years, investors who have purchased Newport units at higher levels may be well rewarded. Overall, we believe the portfolio today has stronger overall income and growth potential and is better diversified than at any time in our Fund's history.

Peter Wallace
President & CEO
May 8, 2007

Management's Discussion and Analysis

May 8, 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 54% indirect interest in NPY. 2007 is the first year where there has been full comparative information for Newport and as such, financial results of NPY are not included in this MD&A, although certain financial information of NPY has been included.

The financial statements have been prepared in accordance with 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 30, 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", "Adjusted EBITDA", "LTM EBITDA", "Distributable Cash", "Distributable Cash per Unit", "Total compound annualized return", "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. **Adjusted EBITDA** refers to EBITDA excluding the gain or loss on reduction of ownership interest (dilution gains or losses). **LTM EBITDA** refers to EBITDA for the last twelve months. Management believes that EBITDA, Adjusted 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.

Total compound annualized return means the rate of return, as a percentage, that represents the cumulative effect of capital appreciation of Fund Units and the total time weighted distributions paid to Unitholders since the inception of the Fund.

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 senior debt less cash on hand at NPY.

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 March 31, 2007 and 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.
- 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% 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 4-6 times debt to EBITDA. Newport maintains a strong balance sheet with a targeted maximum net 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 March 31, 2007 are set out below:

KEY PERFORMANCE INDICATORS	**AS AT MARCH 31, 2007**
Q1 2007 Distributable cash per unit from continuing operations	$0.16
Q1 2007 Distributable cash per unit	$0.13
Net debt / LTM EBITDA	2.44 x
Corporate costs to net asset ratio	1.19%
LTM distributable cash yield from the portfolio	18.0%
LTM distributable cash yield from the portfolio including discontinued operations	14.2%

CAPABILITY TO DELIVER RESULTS

LIQUIDITY AND CAPITAL RESOURCES

OPERATING CASH FLOW AND WORKING CAPITAL

Cash provided by continuing operations was $6.1 million for the three months ended March 31, 2007 compared to $5.2 million for the period ended March 31, 2006. The Fund had positive working capital of approximately $63.7 million at March 31, 2007 compared to $125.8 million at December 31, 2006. Distributions paid in the period exceeded distributable cash by $8.9 million. The shortfall was funded 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

Newport has a $320 million Senior Credit Agreement with an affiliate of Fortress, part of a global alternative investment and asset management firm with approximately $35.1 billion in AUM. The 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 over the next two years. The $170 million term loan facility was drawn on December 8, 2006 and the $75 million revolving credit facility and the $75 million DDTL are accessed by Newport as needed to fund additional investments, working capital requirements, and for general business purposes. As at March 31, 2007, $38 million of the revolving credit facility has 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.

CAPITAL EXPENDITURES

The portfolio incurred total capital expenditures (capital lease payments and maintenance capital expenditures) of $2.2 million for the period compared with $804 in the prior year period. The industrial services segment accounts for 67.4% of the Fund's total capital expenditures.

CAPITAL STRUCTURE

Newport maintains a balanced and flexible capital 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. For the three months ended March 31, 2007, 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. 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 fiscal 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.

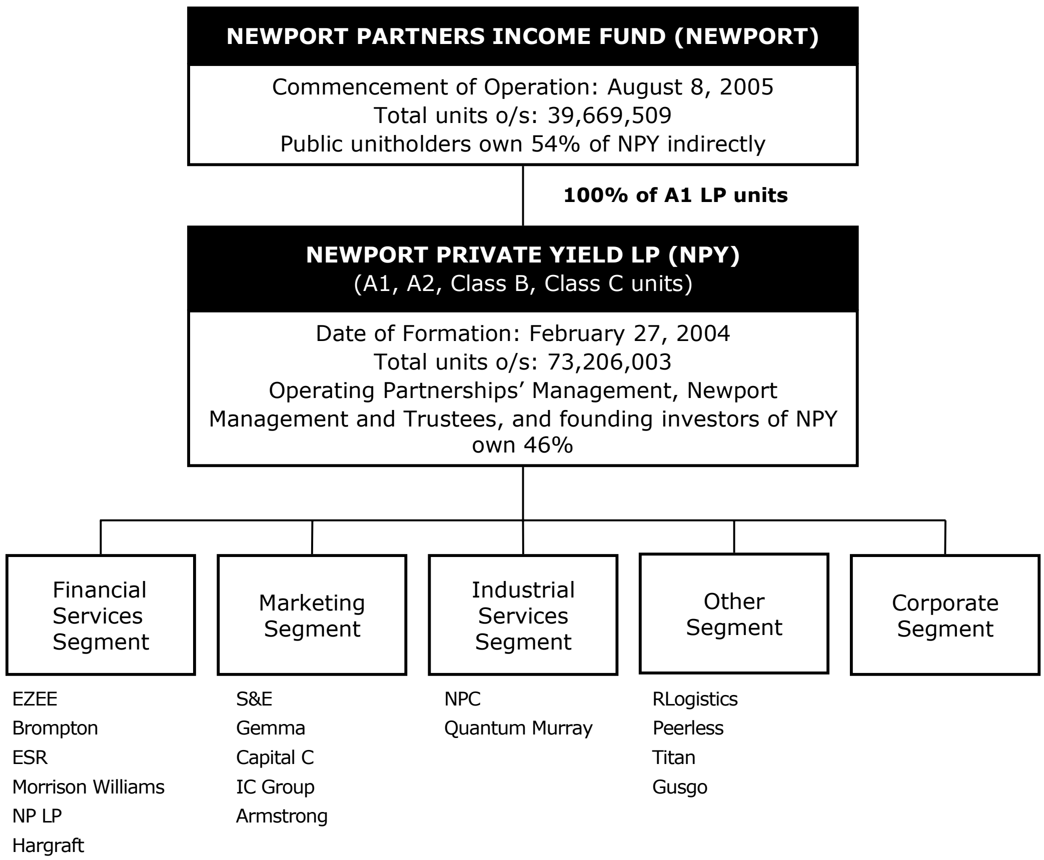
SYSTEMS AND PROCESSES

Newport believes its current management capacity and back office infrastructure are adequate to support its investment management, governance and reporting responsibilities for the Fund. We believe we have the capacity to monitor our existing portfolio and the scalability to expand as new investments are added to the Fund throughout 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.



In accordance with CICA guidelines, Newport groups operating partnerships that have generally similar business characteristics into business segments.

NPY UNITS OUTSTANDING

A1	A2	B1	B2	B4	C	TOTAL
39,669,509	27,526,049	1,536,216	843,173	1,303,456	2,327,600	73,206,003

During the period January 1, 2007 to March 31, 2007, 1,013,444 A2 LP units were exchanged for units of Newport, and 627,500 A1 units were cancelled.

DISCONTINUED OPERATIONS

On March 27, 2007, Newport announced a definitive agreement for the sale of 100% of the assets of RGC, a leading consumer electronics distributor for a net price of $34 million (excluding its investment in RLogistics) resulting in estimated net proceeds to the Fund of approximately $29 million. The transaction closed on April 30, 2007. RGC's 45% equity investment in RLogistics, completed in May 2006, has not been sold. Newport's 36% equity interest in RLogistics is reported in the Other segment.

The assets and liabilities of RGC, excluding RLogistics, have been classified as discontinued operations in the consolidated balance sheets as at March 31, 2007 and December 31, 2006, and the results of operations of RGC have been classified as discontinued operations in the consolidated statements of operations and statements of changes in financial position for the periods ended March 31, 2007 and 2006.

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 2006 audited annual consolidated financial statements as well as in Accounting Policies – Impact of New Account Standards discussed below. 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 $263.6 million at March 31, 2007.

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 March 31, 2007, 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 March 31, 2007, there were no indicators of impairment in the carrying value of Newport’s intangible assets. The net book value of intangible assets was $286.1 million at March 31, 2007.

ACCOUNTING POLICIES

The Fund prepares its financial statements in accordance with GAAP. The Fund’s accounting policies are disclosed in the notes of the 2006 audited annual consolidated financial statements and in the following disclosure of the impact of new accounting standards.

IMPACT OF NEW ACCOUNTING STANDARDS

Effective January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants Handbook Section 3855 “Financial Instruments – Recognition and Measurement”, Section 1530 “Comprehensive Income” and Section 3861 “Financial Instruments – Disclosure and Presentation”.

The adoption of the new standards resulted in changes in accounting for financial instruments. Newport will continue to capitalize all costs related to the credit facility agreement and convertible debt in accordance with section 3855.57(b) and has netted such costs against the debt instruments. Newport has calculated the amortization of such costs using the effective interest rate and has reflected the impact of this new standard with an adjustment to opening retained earnings.

The comparative interim consolidated financial statements have not been restated. For a description of the principal changes in accounting policy see note 2 to the consolidated financial statements.

RESULTS – FIRST QUARTER PERFORMANCE

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

	THREE MONTHS ENDED MARCH 31, 2007	THREE MONTHS ENDED MARCH 31, 2006
NPY (representing non-controlling interest)	31,362	36,253
Newport	39,777	28,720
Total weighted average units outstanding[1]	71,139	64,973
Total distributions paid and payable	$ 17,823	$ 14,939
Distributions per unit	$0.25	$0.23
Cash provided by continuing operations	$ 6,052	$ 5,180
Add: changes in non-cash working capital	5,714	9,167
Add: priority income per partnership agreement[2]	1,693	(450)
Deduct: maintenance capital expenditures and reserves	1,407	141
Deduct: capital lease payments	746	663
Distributable cash from continuing operations	11,306	13,093
Cash used by discontinued operations	(2,341)	(1,026)
Distributable cash	$ 8,965	$ 12,067
Distributable cash per unit from continuing operations	$0.16	$0.20
Cash used per unit by discontinued operations	$(0.03)	$(0.01)
Distributable cash per unit	$0.13	$0.19

BALANCE SHEET ($000s)

	AS AT MARCH 31, 2007	AS AT DECEMBER 31, 2006
Total assets	$ 866,100	$ 894,349
Revolving credit facility	38,038	5,000
Long-term debt	164,938	170,000
Convertible debt	81,202	83,970
Unitholder's equity - Newport & NPY	$ 447,238	$ 478,235

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

[2] 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 – (SEGMENTED) ($000s except per unit amounts)

Three months ended March 31, 2007

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	OTHER	CORPORATE[1]	TOTAL
Revenue	$ 18,438	21,654	50,966	25,157	-	$116,215
Gross margin	7,610	11,668	11,226	6,847	-	37,351
Income (loss) from continuing operations before non-controlling interest	2,382	1,682	1,493	911	(12,888)	(6,420)
EBITDA	6,509	3,908	4,701	3,396	(7,528)	10,986
Loss on dilution of ownership interest	-	-	-	-	5,844	5,844
Adjusted EBITDA[2]	6,509	3,908	4,701	3,396	(1,684)	16,830
Interest (income) expense	(79)	61	421	595	4,780	5,778
Income tax expense (recovery)	6	-	(160)	-	-	(154)
Maintenance capital expenditures and reserves	181	357	756	113	-	1,407
Capital lease payments	-	35	694	17	-	746
Compensation expense funded by operating partner[3]	560	-	-	-	-	560
Priority income per partnership agreement[4]	-	260	1,303	130	-	1,693
Distributable cash from continuing operations	$ 6,961	3,715	4,293	2,801	(6,464)	$ 11,306
Cash used by discontinued operations						(2,341)
Distributable cash						8,965
Distributable cash per unit from continuing operations						**$0.16**
Cash used per unit by discontinued operations						$(0.03)
Distributable cash per unit						$0.13

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

Three months ended March 31, 2006

	FINANCIAL SERVICES	MARKETING	INDUSTRIAL SERVICES	CORPORATE[1]	TOTAL
Revenue	$ 16,154	13,957	42,076	-	$ 72,187
Gross margin	9,326	5,947	7,918	-	23,191
Income (loss) from continuing operations before non-controlling interest	5,484	710	2,652	(2,491)	6,355
EBITDA	9,198	2,435	4,790	(982)	15,441
Loss on dilution of ownership interest	-	-	-	-	-
Adjusted EBITDA[2]	9,198	2,435	4,790	(982)	15,441
Interest (income) expense	(57)	50	397	1,213	1,603
Income tax expense	51	-	-	-	51
Maintenance capital expenditures and reserves	17	79	45	-	141
Capital lease payments	-	38	625	-	663
Compensation expense funded by operating partner[3]	560	-	-	-	560
Priority income per partnership agreement[4]	(720)	270	-	-	(450)
Distributable cash from continuing operations	$ 9,027	2,538	3,723	(2,195)	$ 13,093
Cash used by discontinued operations					(1,026)
Distributable cash					12,067
Distributable cash per unit from continuing operations					**$0.20**
Cash used per unit in discontinued operations					$(0.01)
Distributable cash per unit					$0.19

[1] The results of the Corporate segment include corporate costs and corporate interest expense.

[2] Adjusted EBITDA excludes the non-cash gains or loss on changes to ownership interest.

[3] 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.

[4] 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

This table provides a summary of strategic acquisitions made by the Fund during the quarter ended March 31, 2007. Additional information about these investments is provided in the Segment Operating Results section of this report.

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

SEGMENT	DATE	INVESTMENT	CAPITAL INVESTED
Financial Services	12-Jan-07	**EZEE** acquired the Canadian ATM assets of **TRM.** 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 an 80% interest in **Skystone**, a provider of facilities design and engineering services to the oil and gas sector.	7,700
Total			$ 49,500

Newport drew on its credit facility to fund these investments.

PORTFOLIO SUMMARY – BY OPERATING PARTNERSHIP ($000s)

Three months ended March 31, 2007

OPERATING PARTNER	DATE OF INITIAL INVESTMENT	OWNERSHIP INTEREST	INVESTED CAPITAL	Q1 2007 EBITDA	Q1 2007 DISTRIBUTABLE CASH	LTM DISTRIBUTABLE CASH YIELD[1]
FINANCIAL SERVICES						
EZEE	Mar. 2004	100%	$ 44,000	$ 1,027	$ 1,027	8.7%
Brompton	Aug. 2005	45%	27,200	1,024	885	14.6%
ESR	Aug. 2005	80%	56,000	698	1,307	17.1%
Morrison Williams	Aug. 2005	80%	42,000	2,007	2,007	20.0%
NP LP	Aug. 2005	100%	20,700	1,069	1,047	33.9%
Hargraft	Apr. 2006	75%	16,000	684	688	14.3%
MARKETING						
S & E	Oct. 2004	80%	5,700	150	249	15.7%
Gemma	Mar. 2005	80%	28,000	1,410	1,358	19.2%
Capital C	Aug. 2005	67%	23,700	1,145	919	21.2%
IC Group	July 2006	80%	8,000	546	435	31.6%
Armstrong	Oct. 2006	80%	20,000	657	754	15.1%
INDUSTRIAL SERVICES						
NPC	Oct. 2004	80%	43,900	2,811	1,817	19.2%
Quantum Murray	Mar. 2006	62%	59,000	1,890	2,476	21.0%
OTHER						
RLogistics	May 2006	36%	10,000	201	201	12.8%
Peerless	June 2006	90%	36,000	1,407	1,150	14.7%
Titan	Sept. 2006	88%	25,200	1,357	889	15.3%
Gusgo	Oct. 2006	80%	12,500	431	561	18.4%
DISCONTINUED OPERATIONS						
RGC	Oct. 2004	80%	77,500	(1,686)	(2,341)	-5.5%

[1] LTM distributable cash as a percentage of time-weighted invested capital.

These are non-GAAP measures, which do not have any standard meaning and therefore are unlikely to be comparable to similar measures presented by other issuers – see Non-GAAP Measures and Forward Looking Information. Definitions are provided on page 30.

FIRST QUARTER RESULTS

Revenue from continuing operations for the three month period ended March 31, 2007 increased 61% from $72,187 in the prior year period to $116,215. Adjusted EBITDA from continuing operations of $16,830 was up 9% compared to $15,441 in 2005.

Period over period, the EBITDA contribution from ESR was significantly reduced due to the altered seasonality of contingent profit commissions. The EBITDA contribution from those revenues during the period was $585 -- compared to $3,372 in 2006. Management expects for the full fiscal year these revenues will be generally comparable to 2006 levels. In addition, the poor drilling season, early spring break up and slowdown in the Alberta oil and gas sector reduced the period over period EBITDA contribution from NPC by approximately $1.5 million.

Within the marketing segment, the first quarter reflected strong growth from Gemma which delivered a 60% increase in EBITDA over the prior year period.

$5,283 of EBITDA was contributed by Operating Partnerships added subsequent to March 31, 2006. This was slightly lower than expected as Titan's financial results were negatively affected by the current softness in the Alberta energy sector and Armstrong was challenged to replace revenues lost due to reduced spending by clients.

Distributable cash from continuing operations was $11,306, a 14% decrease compared with $13,093 in the prior year period. This resulted in $0.16 of distributable cash per unit, compared to $0.20 in the prior year period.

Overall, the Fund produced distributable cash of $8,965 compared to $12,067 generated in the prior year period.

These results reflect weakened conditions in discontinued operations, RGC as cash used by discontinued operations for the period was ($2,341) compared with ($1,026) in the prior year period.

Distributable cash per unit decreased to $0.13 compared to $0.19 generated in the prior year period.

The largest variance in distributable cash results period over period was a $4,175 increase in interest costs, to $5,778 from $1,603 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, distributable cash per unit was affected by the dilution resulting from the issuance of equity units subsequent to March 31, 2006.

FIRST QUARTER PERFORMANCE SUMMARY - BY OPERATING PARTNERSHIP

OPERATING PARTNERSHIP	EBITDA($000s)	DISTRIBUTABLE CASH ($000s)	COMMENTARY
Financial Services			
EZEE	1,027	1,027	EZEE achieved a significant increase in revenues over the prior year period due the contribution of approximately 1,500 ATMs acquired from TRM on January 12, 2007. The TRM transaction has allowed EZEE to leverage its supplier pricing based on higher volume and reduce fixed operating costs on a per transaction basis. EBITDA, which included one-time integration costs relating to the acquisition, was also notably higher compared to the previous year. The outlook for the second quarter and balance of the year is positive. Subsequent to quarter end, EZEE acquired an additional 180 ATMs for approximately $1.6 million. With the recent accretive acquisitions, EZEE management expects it will generate a 12–15% yield on invested capital for 2007, compared with 8.1% for fiscal 2006.
Brompton	1,024	885	Brompton's financial results were lower than expected due to the delayed introduction of planned new issues as a result of a difficult market for structured products. AUM was generally flat compared to year-end. The structured product market remains challenging and management sees no reversal of this trend in the near term. Second quarter results are expected to generally pattern the first.
ESR	698	1,307	ESR's commission revenues were down slightly over the prior year period as anticipated, due to intense pricing competition in a very challenging market environment. The biggest variance against 2006 was the contribution from contingent profit commissions, which were approximately $2.8 million lower period over period. ESR management expects that over the course of the full fiscal year, the contribution of contingent profit commissions in 2007 will generally be in line with 2006 levels. Overall, for 2007, management continues to expect a moderate reduction in its financial results based on the continuing challenging market environment.
Morrison Williams	2,007	2,007	Morrison Williams' financial results reflected its strong investment performance, largely offsetting the impact of continuing redemptions in mutual funds. Subsequent to quarter end, Morrison Williams was awarded three new start-up wrap account mandates and was recognized by ATI for the outstanding three-year performance of its Canadian Balanced Pooled Fund.
NP LP	1,069	1,047	NP LP's revenues and EBITDA increased over the prior year period due to enhanced insurance and corporate advisory fees along with slightly improved gross profit margins as more revenue was derived without sub-advisory expenses. These factors more than offset the decline in AUM from the prior year period. The outlook remains positive for modest growth for fiscal 2007.
Hargraft	684	688	Hargraft's revenues reflected competitive market pressures on premium pricing in its property and casualty business as reported at year end, along with seasonality in its benefits segment. Hargraft management expects a significantly improved second quarter based on new business generated by its property and casualty business line, along with strong performance from its benefits segment during its seasonally strong month of April. Overall, for fiscal 2007, management does not anticipate a significant change in the market environment and expects heightened competition will continue.
	6,509	**6,961**	
Marketing			
S&E	150	249	S&E experienced a decline in revenues and EBITDA over the prior year period. As reported at year end, this was directly attributable to the cancellation of a major client contract late in 2006. S&E is focused on replacing these revenues with new business development activity, however selling cycles in its business can be twelve months or longer. S&E is also sharing services with Armstrong and plans to combine offices with it in the second half of the year to promote cross selling opportunities.
Gemma	1,410	1,358	Gemma achieved material growth in first quarter revenues over the prior year period as two existing clients awarded Gemma contracts with increased volumes. EBITDA increased approximately 60% over the prior year period reflecting management's aggressive efforts to maximize operational efficiencies over the past several months. Gemma expects results for the second quarter will be consistent with the trend in the first. The company's primary challenge to its growth in 2007 will be to manage its staffing and technological capacity to deal with its robust pipeline of new business opportunities.
Capital C	1,145	919	Capital C's performance was strong despite a difficult market environment in which several of its packaged goods clients were under pressure to reduce expenditures as their businesses are impacted by high commodity prices. Capital C has defended itself well against margin pressure and has been aggressive in targeting new business opportunities. These efforts yielded several new major accounts during the quarter. In addition, the Adeo acquisition, completed in December 2006, is proving to be strategically advantageous as it has allowed Capital C to expand the scope of work for existing clients and target new prospects. The company expects similar results in the second quarter and is anticipating strong performance during the second half of the year.

OPERATING PARTNERSHIP	EBITDA($000s)	DISTRIBUTABLE CASH ($000s)	COMMENTARY
IC Group	546	435	IC Group had a strong first quarter with significant growth in revenues and a more than doubling of EBITDA over the prior year period. This was achieved in spite of an increased investment in systems improvements and training and development of additional staff required to accommodate the anticipated growth in the upcoming quarters. The outlook for IC Group is positive for the next quarter and particularly the second half of the year.
Armstrong	657	754	Armstrong had a challenging quarter in which revenues were lower due to reduced spending by its online gaming customers, along with a delay in the timing of some client projects. The changed regulatory environment for online gaming in the U.S. is having an effect on the Canadian market and Armstrong is working aggressively to further diversify its revenue base. Specifically, it is targeting the U.S. credit card marketing segment in which it already has a niche position and enjoys a cost advantage over U.S. providers. Newport has a priority on $4 million of Armstrong's annual distributable cash for fiscal 2007.
	3,908	**3,715**	
Industrial Services			
NPC	2,811	1,817	NPC 's revenues and EBITDA were significantly lower than the prior year period. While NPC's base maintenance business grew substantially over 2006, its construction facility operations were negatively impacted by the weak drilling season and early spring break-up in Alberta. More positively, NPC was able to maintain gross profit margins. Management expects a strong maintenance and shutdown season based on its currently contracted work for the second quarter. However, a prolonged spring break-up period and reduced facility construction activity will be offsetting factors. As reported at year-end, management is forecasting a modest reduction in its overall financial results for 2007 and this outlook remains unchanged.
Quantum Murray	1,890	2,476	On January 3, Murray completed its merger with Quantum and combined operations. Revenues and EBITDA for the first quarter reflect seasonally lower remediation activity and the timing of certain demolition contracts which were delayed until March and April. As anticipated, project activity has increased subsequent to quarter end, and management expects improved financial results in the second quarter and balance of the year. For fiscal 2007, Quantum Murray will continue its focus on integrating its operations. Overall, management expects 2007 financial results will be generally in line with the previous year. Newport has priority on $11 million of distributable cash from Quantum Murray.
	4,701	**4,293**	
Other			
RLogistics	201	201	This investment has performed to expectations and has increased its geographic reach with new retail store openings in Ontario.
Peerless	1,407	1,150	Peerless' revenues increased over the prior year and sales to Peerless' largest customer, the Canadian government were consistent with expectations. A slight decline in gross profit margin occurred due to the contract mix resulting in lower EBITDA. 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. Our outlook remains unchanged.
Titan	1,357	889	Revenues and EBITDA reflect the pronounced slowdown in the exploration and drilling segment of the Alberta energy sector – a segment that typically represents approximately 30% of Titan's first quarter sales. While the impact of this business segment on the overall revenue mix is reduced in subsequent quarters, Titan management does not foresee an improvement in market conditions in the near term and has implemented an expense reduction plan. Currently the outlook is for a decline in revenues and EBITDA over the prior year.
Gusgo	431	561	As anticipated, revenues were negatively impacted by the CN rail strike which reduced traffic volumes. EBITDA during the quarter was also seasonally lower due to the renewal of trucking licenses in January. The transportation industry has been impacted by congestion at the Vancouver port which has reduced the amount of container traffic and in some cases diverted shipments to U.S. ports and carriers. However, the potential traffic increase from Asia to Montreal, via Europe, is a positive market development for Gusgo as it specializes in the Toronto-Montreal-USA transportation triangle. Gusgo's management expects a gradual return of this business over the next twelve months. The outlook for the second quarter is positive and Newport has a priority on $2.4 million of distributable cash from Gusgo in fiscal 2007.
	3,396	**2,801**	

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 March 31, 2007 as if each investment had been owned by Newport for the full twelve month period ended March 31, 2007.

OPERATING PARTNERSHIP	MARCH 31, 2007[1]	DECEMBER 31, 2006 AS PREVIOUSLY REPORTED
Financial Services		
Ezee	$ 4,929	$ 2,538
Brompton	4,061	4,122
ESR	8,377	11,023
Morrison Williams	8,404	8,588
NP LP	7,199	7,160
Hargraft	2,436	2,557
Marketing		
S&E	634	831
Capital C	5,443	5,303
Gemma	5,551	5,051
IC Group	2,125	1,772
Armstrong	2,737	3,792
Industrial Services		
NPC	13,817	13,686
Quantum Murray	10,109	7,977
Other		
RLogistics	1,171	1,327
Peerless	9,757	9,978
Titan	5,216	5,730
Gusgo	2,356	2,493
Total Operating Partnerships	**$ 94,322**	**$ 93,928**
Corporate	(5,204)	(4,513)
Total Continuing Operations	**$ 89,118**	**$ 89,415**

[1] 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.

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	Q1 2007
Armstrong	4,000	Q4 2010
Industrial Services		
NPC	8,100	Q3 2007
Quantum Murray	11,000	Q1 2009
Other		
Gusgo	2,400	Q4 2010

SEGMENT OPERATING RESULTS

FINANCIAL SERVICES

The Financial Services segment includes our proportionate share of EZEE, ESR, NP LP, Morrison Williams, Brompton and Hargraft. Newport completed its acquisition of EZEE in January 2005, 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.

Ezee	-	Operator of non-financial institution ATMs across Canada
Brompton	-	Asset manager of public and private investment funds
ESR	-	Independent insurance underwriters and specialty managing general agents
Morrison Williams	-	Institutional money manager
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)

	THREE MONTHS ENDED MARCH 31, 2007	THREE MONTHS ENDED MARCH 31, 2006
Revenues	$ 18,438	$ 16,154
Cost of revenues	(10,828)	(6,828)
Gross profit	7,610	9,326
Selling, general and administrative expenses	(2,326)	(1,804)
Depreciation and amortization	(3,716)	(3,293)
Income from equity investment	544	1,017
Other income	197	234
Interest income	79	55
Income tax expense	(6)	(51)
Income for the period	2,382	5,484
Income for the period	2,382	5,484
Add:		
Depreciation and amortization expense	3,716	3,293
Amortization of Brompton intangible assets	484	425
Interest income	(79)	(55)
Income tax expense	6	51
EBITDA	$ 6,509	$ 9,198

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

	March 31, 2007	December 31, 2006	March 31, 2006
NP LP	1,155	1,147	1,291
Morrison Williams	4,535	4,638	4,708
Brompton	2,875	2,915	2,613
Total	8,565	8,700	8,612

(I) REVENUE

Revenue from the Financial Services segment was $18,438, compared with $16,154 in 2006.

NP LP's revenues increased over the prior year period primarily due to enhanced insurance and corporate advisory fees. This more than offset a decline in AUM.

Morrison Williams' results for the financial quarter were slightly better than expected as the team's strong investment performance largely offset the impact of continuing redemptions in mutual funds which reduced AUM compared with the prior year period.

ESR's commission revenues were down slightly over the prior year period as anticipated, due to intense pricing competition in a very challenging market environment. The biggest variance to the prior year period's revenues was the contribution from contingent profit commissions. ESR management expects that over the course of the full fiscal year, the contribution of contingent profit commissions in 2007 will generally be in line with 2006 levels.

Hargraft's revenues reflected competitive market pressures on premium pricing in its property and casualty business as reported at year end, along with seasonality in its benefits segment.

EZEE achieved a significant increase in revenues over the prior year period due to the contribution of approximately 1,500 ATMs acquired from TRM on January 12, 2007. Revenues from existing operations were down marginally over the prior year due to the residual effects of the Quebec smoking by-law which has reduced traffic in some locations in that province.

(II) GROSS PROFIT

Gross profit was $7,610, which translated into a 41% gross margin. For the three months ended March 31, 2006, the financial services segment produced gross profit of $9,326, which translated into a 58% gross margin. ESR's gross profit and gross profit margins were significantly lower reflecting the reduction in high-margin contingent profit commissions. NP LP's gross profit margins were slightly higher than the prior year period due to a higher proportion of revenue derived without sub-advisory expenses.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,326 for the three months ended March 31, 2007 – compared with $1,804 for the three months ended March 31, 2006. This increase partially reflects the addition of Hargraft in 2006. Selling, general and administrative expenses as a percentage of revenue were 13%, compared to 11% in 2006.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $3,716 for the three months ended March 31, 2007, against $3,293 for the three months ended March 31, 2006.

(V) EBITDA

EBITDA was $6,509 for the three months ended March 31, 2007. For the three months ended March 31, 2006, EBITDA was $9,198.

EZEE's EBITDA was significantly higher than the prior year period and includes approximately $200 of expenses relating to the integration of the TRM transaction.

ESR's EBITDA was significantly lower as a result of lower contingent profit commissions due to altered seasonality. EBITDA is also reduced by a $560 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.

Income from our equity investment in Brompton was $1,024, compared to $1,085 in the 2006 period. The EBITDA amount was lower than expected due to the delayed introduction of planned new issues as a result of a difficult market for structured products. AUM was generally flat compared to December 31, 2006.

(VI) INCOME

Income for the period was $2,382 compared to $5,484 in 2006.

(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

The outlook for EZEE during the second quarter and balance of the year is positive. Subsequent to quarter end, EZEE acquired an additional 180 ATMs for $1,600. With the recent accretive acquisitions, EZEE management expects to generate a 12–15% yield on invested capital for 2007, compared with 8.1% for fiscal 2006.

The outlook for modest growth at NP LP remains unchanged. It 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 AUM through the selective hiring of experienced relationship managers.

Subsequent to quarter end, Morrison Williams was awarded three new start-up wrap account mandates and was recognized by ATI for the outstanding three year performance of its Canadian Balanced Pooled Fund. These events, along with sustained strong investment performance, should help to offset the anticipated continuation of mutual fund redemptions.

Conditions in the commercial insurance market remain challenging as increased competition continues to put downward pressure on premium pricing. ESR's management sees no indication of an external event that is likely to restore pricing discipline in the short term. Based on first quarter results and current outlook, management is maintaining its expectation of a slight decline in revenues and EBITDA for 2007.

Hargraft's management expects a significantly improved second quarter based on new business generated by its property and casualty business line along with strong performance from its benefits segment during its seasonally strong month of April. However, for fiscal 2007, management does not anticipate a significant change in the market environment and expects heightened competition will continue.

The outlook for Brompton is that the second quarter should largely pattern the first, as the structured product market remains challenging and management sees no reversal of this trend in the near term.

MARKETING

The Marketing segment includes our proportionate share of the results of S&E, Gemma, Capital C, IC Group and Armstrong for the three months ended March 31, 2007. Figures for 2006 include full quarter results for S&E, Gemma and Capital C only. The results of IC Group are included only from August 1, 2006 and Armstrong's results from October 4, 2006.

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)

	THREE MONTHS ENDED MARCH 31, 2007	THREE MONTHS ENDED MARCH 31, 2006
Revenues	$ 21,654	$ 13,957
Cost of revenues	(9,986)	(8,010)
Gross profit	11,668	5,947
Selling, general and administrative expenses	(7,760)	(3,512)
Depreciation and amortization expense	(2,165)	(1,675)
Interest expense	(61)	(50)
Income for the period	1,682	710
Income for the period	1,682	710
Add:		
Depreciation and amortization expense	2,165	1,675
Interest expense	61	50
EBITDA	$ 3,908	$ 2,435

(I) REVENUE

Revenue for the Marketing segment was $21,654 – a 55% increase over 2006 revenues of $13,957. These 2007 results primarily reflect the contribution of IC Group and Armstrong along with strong organic growth from Gemma and Capital C.

Gemma reported very strong first quarter revenues as two existing clients awarded Gemma contracts with increased volumes. In addition, management was successful in negotiating attractive project re-start dates with clients following the holiday season, which enabled it to resume activities at full volumes earlier in January than historically experienced.

Capital C's revenues showed strong growth over the prior year period in spite of a difficult market environment in which several of its packaged goods clients were under pressure to reduce expenditures as their businesses are impacted by higher commodity prices. Capital C has defended itself well against pricing pressure and has been aggressive in targeting new business opportunities, efforts which yielded several new major accounts during the quarter.

IC Group had a strong first quarter with significant growth in revenues over the prior year period in spite of an increased investment in systems improvements and training and development of additional staff required to accommodate the anticipated growth in the upcoming quarters.

S&E experienced a decline in revenues over the prior year period due to the cancellation of a major client contract in late 2006. This more than offset the positive impact of expanded business with the balance of S&E's client base.

Armstrong's revenues were significantly lower reflecting a delay in the timing of some client projects and substantially reduced spending by its Canadian online gaming customers, as changes to U.S. gaming regulations had a spill over effect on the Canadian market.

(II) GROSS PROFIT

Gross profit for the Marketing segment was $11,668 and gross profit margin was 54%. For the comparative three months ended March 31, 2006, gross profit was $5,947 and gross profit margin was 43%. This positive trend was impacted by the stable and strong margins from the investments made post March 31, 2006 and Gemma's ongoing efforts to re-engineer much of the company's operational organization.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the segment were $7,760. Selling, general and administrative expenses for the three months ended March 31, 2006 were $3,512. These expenses as a percentage of revenue were 36%, compared to 25% in 2006. Capital C's expenses were significantly higher than the prior year period offsetting the growth in revenues and gross profit. This was anticipated as a result of planned higher employment costs associated with the company's integration strategy and its preparations to take on new business as part of the next stage of its growth. In addition IC Group incurred training and development costs in the quarter relating to additional staff required to accommodate its anticipated growth.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $2,165 for the three months ended March 31, 2007 and in line with business performance, compared with $1,675 in the prior year. Capital C had significantly higher depreciation and amortization expenses over the prior year period. This was anticipated due to increased capital expenditures and amortization expenses related to early lease terminations in three offices and its move to new and larger premises in the first quarter.

(V) EBITDA

EBITDA from the Marketing segment was $3,908 – a 60% increase over $2,435 of EBITDA produced in the prior year. This is due to the contributions of investments made during subsequent quarters of 2006 and an almost 60% increase in EBITDA performance from Gemma.

(VI) INCOME

Income for the year was $1,682 compared to $710 in 2006. This is due to contributions from investments made subsequent to March 31, 2006.

(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

Gemma expects second quarter results will be generally in line with first quarter performance. The company's primary challenge to its growth will be to manage its staffing and technological capacity as it currently has a robust pipeline of new business opportunities.

Capital C's management anticipates the second quarter will produce results similar to the first quarter. Higher revenues from new business wins are expected to be somewhat offset by integration and staffing expenses as the company ramps up for what it anticipates will be a strong second half of the year based on its current pipeline of opportunities and new assignments.

For the second quarter and balance of the year, S&E's challenge will be to replace lost revenues attributable to the cancellation of a large client contract. Our outlook is that the company will likely under perform in the short term by an amount immaterial to the Fund. To correct this, Newport has worked with management on a plan to share services and combine S&E's offices with Armstrong's during the second half of the year. This should allow S&E to exploit cross-selling opportunities with Armstrong's customer base as well as to reduce operating expenses.

The outlook for IC Group is positive for the next quarter and particularly the second half of the year when revenues from larger programs should be realized. In April, IC Group was awarded a significant contract with a major U.S. food producer to handle sweepstakes and games for all of its brands. IC Group's challenge will be to manage its growth as it pursues its strategy in 2007.

Armstrong is working aggressively to further diversify its revenue base and is targeting the U.S. credit card marketing segment in which it already has a niche position and enjoys a cost advantage over U.S. providers. Newport has a priority on $4 million of Armstrong's annual distributable cash for fiscal 2007.

INDUSTRIAL SERVICES

The Industrial Services segment includes our proportionate share of the results of NPC and Quantum Murray for the three months ended March 31, 2007. Financial results for the corresponding period in 2006 include our proportionate share of the results of NPC for the quarter and only one month for Murray as we acquired our interest on March 1, 2006 (the merger creating Quantum Murray was completed January 3, 2007). Therefore the results are not comparable.

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

SUMMARY INDUSTRIAL SERVICES TABLE ($000s)

	THREE MONTHS ENDED MARCH 31, 2007			THREE MONTHS ENDED MARCH 31, 2006		
	NPC	Quantum Murray	Total	NPC	Murray	Total
Revenues	$ 32,040	$ 18,926	$ 50,966	$ 38,588	$ 3,488	$ 42,076
Cost of revenues	(26,369)	(13,371)	(39,740)	(31,729)	(2,429)	(34,158)
Gross profit	5,671	5,555	11,226	6,859	1,059	7,918
Selling, general and administrative expenses	(2,862)	(3,663)	(6,525)	(2,502)	(626)	(3,128)
Depreciation and amortization expense	(1,299)	(1,648)	(2,947)	(1,376)	(367)	(1,743)
Loss from equity investment	-	-	-	-	-	-
Interest (expense) income	(444)	23	(421)	(393)	(2)	(395)
Income tax recovery	160	-	160	-	-	-
Income for the period	1,226	267	1,493	2,588	64	2,652
Income for the period	1,226	267	1,493	2,588	64	2,652
Add:						
Depreciation and amortization expense	1,299	1,648	2,947	1,376	367	1,743
Income tax recovery	(160)	-	(160)	-	-	-
Interest expense (income)	444	(23)	421	393	2	395
EBITDA	$ 2,809	$ 1,892	$ 4,701	$ 4,357	$ 433	$ 4,790

(I) REVENUE

Revenues from the Industrial Services segment were $50,966 – compared with $42,076 in the prior year period.

NPC faced a challenging market environment in which revenues were significantly lower than the prior year period. While NPC's base maintenance business grew substantially over 2006, its construction facility operations were negatively impacted by the weak drilling season and early spring break-up in Alberta which reduced business activity.

On January 3, Murray completed its merger with Quantum and combined operations as Quantum Murray. Revenues for the first quarter reflect the addition of the combined operations as well as the seasonally lower remediation activity and the timing of certain demolition contracts which were delayed until March and April.

(II) GROSS PROFIT

Gross profit was $11,226 for the three months ended March 31, 2007 – compared with $7,918 of gross profit for the prior year period. Gross margins were 22% compared to 19% in 2006 and reflect the addition of Quantum Murray which has slightly higher gross margins. NPC was successful in maintaining gross margins despite the challenging market environment.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $6,525 for the three months ended March 31, 2007, compared to $3,128 for the prior period in 2006. These expenses as a percentage of revenue were 13%, compared to 7% in 2006. The higher selling, general and administration expenses reflect the addition of Quantum Murray.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $2,947 for the three months ended March 31, 2007 compared with $1,743 for the three months ended March 31, 2006. The increase primarily reflects the addition of Quantum Murray to the portfolio.

(V) EBITDA

The Industrial Services segment produced $4,701 of EBITDA – compared with $4,790 of EBITDA earned in the prior period.

(VI) INCOME

Income for the period was $1,493 compared to $2,652 in the period 2006.

(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.

The addition of Quantum has added seasonality to the operating and financial profile of Quantum Murray as remediation activity is reduced in the winter months. In addition, 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. Management expects a strong maintenance and shutdown season based on its currently contracted work for the second quarter. However, a prolonged spring break-up period is anticipated due to an unusually wet spring. This is expected to negatively impact the facility construction segment of NPC's operations. As reported at year-end, management is forecasting a modest reduction in its overall financial results for 2007 and this outlook remains unchanged. However, an increase in natural gas prices could provide upside.

In addition, in March, NPC made a strategic acquisition in Skystone, a business providing engineering, technical and management services for the oil and gas sector. 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.

Subsequent to quarter end, project activity has increased for Quantum Murray as anticipated, and management expects improved financial results in the second quarter and balance of the year. For 2007, Quantum Murray will continue its focus on integrating its operations and management anticipates financial results will be generally in line with the previous year.

OTHER

The Other segment includes our proportionate share of the results of RLogistics, Peerless, Titan and Gusgo, for the three month period ended March 31, 2007. No comparable 2006 results are provided as the investments were not part of the portfolio in the first quarter of 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)

	THREE MONTHS ENDED MARCH 31, 2007
Revenues	$ 25,157
Cost of revenues	(18,310)
Gross profit	6,847
Selling, general and administrative expenses	(3,652)
Depreciation and amortization expense	(1,890)
Income from equity investment	201
Interest expense	(595)
Income for the period	911
Income for the period	911
Add:	
Depreciation and amortization expense	1,890
Interest expense	595
EBITDA	$ 3,396

(I) REVENUE

Revenues from this segment were $25,157 for the three months ended March 31, 2007.

Peerless' revenues increased modestly over the prior year period and sales to Peerless's largest customer, the Canadian government, were consistent with expectations during the quarter.

Titan's revenues were significantly reduced reflecting the pronounced slowdown in the exploration and drilling segment of the Alberta energy sector – a segment that typically represents approximately 30% of Titan's first quarter revenues.

Revenues from Gusgo were negatively impacted by the CN Rail strike, congestion at the Vancouver port and weather related delays on the west coast which reduced the amount of container traffic and in some cases diverted shipments to U.S. ports and carriers.

(II) GROSS PROFIT

Gross profit was $6,847 for the three months ended March 31, 2007.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative Expenses were $3,652 for the three months ended March 31, 2007. First quarter general and administration expenses at Gusgo included the annual renewal of trucking licenses in January.

(IV) DEPRECIATION AND AMORTIZATION

Depreciation and amortization was $1,890 for the three months ended March 31, 2007.

(V) EBITDA

EBITDA for this segment was $3,396 as revenue performance affected the bottom line. Income from Newport's equity interest in RLogistics was $201 for the period.

(VI) INCOME

Income for the period was $911.

(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 is the dominant supplier of military gear for the federal government, however the size and timing of its contracts can be difficult to predict.

While the impact of the oil and gas industry within Titan's overall revenue mix is reduced in subsequent quarters, its management does not foresee an improvement in market conditions in the near term and has implemented an expense reduction plan. Titan expects to somewhat offset the softness in the Alberta energy sector with opportunities in other markets, particularly construction which remains strong. Overall, the current outlook is for a decline in revenues and EBITDA over the prior year.

For Gusgo, potential traffic increases from Asia to Montreal, via Europe, is a positive market development. Gusgo specializes in the Toronto-Montreal-USA transportation triangle and management expects a gradual return of the business that was diverted to U.S. carriers due to port congestion in Vancouver. The outlook for the second quarter is positive and Newport has a priority on $2.4 million of distributable cash from Gusgo in fiscal 2007.

CORPORATE

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

SUMMARY CORPORATE TABLE ($000s)

	THREE MONTHS ENDED MARCH 31, 2007	THREE MONTHS ENDED MARCH 31, 2006
Selling, general and administrative expenses	$ (1,684)	$ (982)
Amortization of deferred financing charges	(580)	(296)
Interest expense	(4,780)	(1,213)
Loss on dilution of ownership interest	(5,844)	-
Loss for the period	(12,888)	(2,491)
Loss for the period	(12,888)	(2,491)
Add:		
Amortization of deferred financing charges	580	296
Interest expense	4,780	1,213
EBITDA	$ (7,528)	$ (982)
Loss on dilution of ownership interest	5,844	-
Adjusted EBITDA	(1,684)	(982)

(I) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $1,684 for the three months ended March 31, 2007. This compares to $982 for 2006. Expenses for 2007 were in line with expectations and the increase over 2006 reflects the growth of the business and increase in resources in the financial and legal departments as well as additional regulatory compliance costs.

(II) AMORTIZATION

Amortization expenses were $580 for three months ended March 31, 2007. 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 using the effective interest method.

(III) INTEREST EXPENSE

Interest expense of $4,780 represents expense primarily relating to the credit facility and the convertible debentures. The credit 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 period was $12,888 compared to $2,491 in 2006. Included in the loss for the period are dilution losses relating to the reorganization of Quantum Murray and the impact of our NCIB repurchases during the period.

In the Quantum Murray transaction Newport reduced its ownership interest in the operating partnership but received an increased priority amount. Newport wishes to incent all operating partnerships to bring forward acquisition opportunities that will be accretive to unitholders and strategically enhance the business. In exchange for this, Newport may reduce its ownership interest in favour of the management of the operating partnership. In this way management shares in the growth of the overall business over time without an immediate cash outflow that would result if Newport paid a bonus, referral fee or other form of compensation. Newport believes that this form of non-cash compensation enhances unitholder value and continues to align management's interest with that of the Fund.

DISCONTINUED OPERATIONS

CONDENSED INCOME STATEMENT INFORMATION ($000s)

	THREE MONTHS ENDED MARCH 31, 2007	THREE MONTHS ENDED MARCH 31, 2006
Revenues	$ 32,542	$ 40,174
Net loss	(2,782)	(2,424)

For the three months ended March 31, 2007, RGC generated revenues of $32,542 as compared with $40,174 in the prior year period. Gross profit of $3,100, translated into a 9.5% gross profit margin compared with $4,000 of gross profit and a 10% gross profit margin in the prior year period. Revenues and gross profits were negatively impacted by a manufacturer price reduction during the quarter on flash memory products distributed by RGC and by the continued impact of a corporate restructuring of a large retail account which resulted in reduced demand for RGC products as the customer adjusted inventory and purchase levels. Gross profit margin was also diminished due to inventory sell-off at lower than forecasted prices and an overall product mix at lower margins. Expenses were in line with budget for the period.

For the three months ended March 31, 2007, RGC generated $(1,686) of EBITDA compared with $(883) in the prior period.

Effective April 30, 2007, RGC has been divested of.

BALANCE SHEET INFORMATION ($000s)

	AS AT MARCH 31, 2007	AS AT DECEMBER 31, 2006
Current assets of discontinued operations	$ 44,394	$ 68,969
Long-lived assets of discontinued operations	13,164	14,403
Current liabilities of discontinued operations	30,824	54,372
Net assets of discontinued operations	$ 26,734	$ 29,000

ADDITIONAL INFORMATION

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of March 31, 2007, directors, officers and employees of the general partner and entities related to NPY hold an aggregate of 26,062,511 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 $2,060 of which $2,015 remains outstanding at March 31, 2007. 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 $20,651 of letters of credit outstanding at March 31, 2007. The letters of credit are predominantly to 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)

SEGMENT	DATE	INVESTMENT	CAPITAL INVESTED
Financial Services	17-Apr-07	77.5% interest in **BMI**, a leading full-service insurance broker specializing in the transportation and logistics industries in Ontario.	$ 18,200
	30-Apr-07	**EZEE** acquired the Canadian ATM assets of Les Systemes Electroniques Technoda Inc.	1,600
Total			$ 19,800

Financial Services

On April 17, 2007, Newport invested $18.2 million cash for a 77.5% interest in the business of Toronto-based BMI, a leading full-service insurance broker specializing in the transportation and logistics industries in Ontario. For the twelve month period ended February 28, 2007, BMI generated $13.6 million of revenue and $4.4 million of normalized EBITDA.

Under the terms of the transaction, Newport also provided $2.3 million for working capital and to replace a pre-existing operating line for BMI's premium financing business. Newport drew on its credit facility to finance the transaction.

Established in 1979, BMI has established a niche stronghold in commercial insurance by focusing on under-serviced industries and specialized programs that most insurers have difficulty handling. The company, which has 70 employees, services a diversified base of customers.

On April 30, 2007, Newport invested an additional $1,600 to fund the acquisition of the Canadian ATM assets of Les Systemes Electroniques Technoda Inc. The acquisition added 180 ATMs to EZEE's existing portfolio.

NORMAL COURSE ISSUER BID

Subsequent to quarter end, under the terms of its NCIB, Newport purchased and cancelled a total of 240,000 units with an average purchase price of $5.91.

OUTLOOK

In our annual report we indicated that we anticipated the first quarter would be our weakest quarter in 2007 and the results were generally in line with our expectations. As a result, our outlook for fiscal 2007 remains largely unchanged. We like the current composition of our portfolio for its earnings ability and the diversification it provides. We expect flat to slightly negative organic growth from these holdings in fiscal 2007.

We have divested our one underperforming investment effective April 30. However, we do not expect an improvement in RGCs results during the one month we continued to hold this investment in the second quarter.

Our outlook is favourable for growth from our investment program as we continue to deploy capital to expand existing operating partnerships and to make new investments that add income and growth potential to the Fund. Our plan for 2007 is to invest between $100-$150 million.

The sale of RGC provides additional debt capacity and capability to continue our investment program. Our estimated debt to LTM EBITDA as of the date of this report is 2.2 times down from 2.4 times at March 31, 2007.

For the twelve month period ended March 31, 2007, the Fund's share of the LTM EBITDA produced by its 18 holdings as of the date of this report was $97.3 million.

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 specific risks associated with the Funds' newest investments made in the quarter are discussed in the Annual Information Form dated March 29, 2007, as well as a full discussion of additional Risk Factors.

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 March 31, 2007 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 March 31, 2007, 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 or on our website www.newportpartners.ca

DEFINITIONS

"Adeo" – means Adeo Communications Corporation;

"AIF" – means Annual Information Form;

"Armstrong" - means Armstrong Partnership LP, a limited partnership formed under the laws of Ontario;

"AUM" – means Assets Under Management;

"BMI" – means Baird MacGregor Insurance Brokers LP, a limited partnership formed under the laws of Ontario;

"Brompton" - means Brompton Funds LP, a limited partnership formed under the laws of Manitoba;

"C LP Units" means the Class C limited partnership units of NPY;

"Capital C" - means Capital C Communications LP, a limited partnership formed under the laws of Ontario;

"CEO" – means Chief Executive Officer;

"CICA" – means Canadian Institute of Chartered Accountants;

"CFO" – means Chief Financial Officer;

"Declaration of Trust" - means the declaration of trust dated May 13, 2005, as amended and restated on June 22, 2005 and August 8, 2005, and as further amended on March 21, 2007, as the same may be amended, supplemented or amended and restated from time to time;

"DDTL" – means Delayed-draw Term Loan;

"ESR" - means Elliott Special Risks LP, a limited partnership formed under the laws of Ontario;

"EZEE" – mean Ezee ATM LP/On-site LP, each a limited partnership formed under the laws of Ontario;

"Fortress" – means Fortress Credit Corp.;

"GAAP" - means, at any time, Canadian generally accepted accounting principles, including those set out in the Handbook of the CICA, applied on a consistent basis;

"Gemma" - means Gemma Communications LP, a limited partnership formed under the laws of Ontario;

"Gusgo" - means Gusgo Transport LP, a limited partnership formed under the laws of Ontario;

"Hargraft" - means Hargraft Schofield LP, a limited partnership formed under the laws of Ontario;

"IC Group" - means IC Group LP, a limited partnership formed under the laws of Ontario;

"IPO" – means Initial Public Offering;

"IRR" – means Internal Rate of Return;

"LTM" – means Last Twelve Months;

"MD&A" – means Management's Discussion and Analysis;

"Morrison Williams" - means Morrison Williams Investment Management LP, a limited partnership formed under the laws of Ontario;

"Murray" – means Murray Demolition LP (now Quantum Murray LP)

"NCIB" – means Normal Course Issuer Bid;

"NP LP" - means Newport Partners LP, a limited partnership formed under the laws of Ontario;

"NPC" - means NPC Integrity Energy Services Limited Partnership, a limited partnership formed under the laws of Alberta;

"Newport" or "the Fund" - Newport Partners Income Fund

"NPY" – means Newport Private Yield LP, a limited partnership formed under the laws of Ontario;

"Operating Partnerships" – means businesses in which Newport holds an ownership interest;

"Peerless" - means Peerless Garments LP, a limited partnership formed under the laws of Ontario;

"Quantum" – means Quantum Environmental Group Inc.;

"Quantum Murray" – means Quantum Murray LP (formerly Murray Demolition LP) a limited partnership formed under the law of Ontario;

"RGC" – means Redmond Group of Companies LP (formerly Jutan Limited Partnership)

"RLogistics" – means RLogistics LP, a limited partnership formed under the laws of Ontario;

"S&E" - means Sports and Entertainment Limited Partnership, a limited partnership formed under the laws of Ontario;

"Senior Credit Agreement" – means the Secured Credit Agreement entered into on December 7, 2006, with an affiliate of Fortress;

"Skystone" – means Skystone International LP, a limited partnership formed under the laws of Ontario;

"Tax Act" – means the *Income Tax Act (Canada)* as may be amended from time to time;

"Titan" - means Titan Supply LP, a limited partnership formed under the laws of Alberta;

"TRM" – means TRM Corp.;

"Trust" – means Newport Partners Commercial Trust;

"Trust Units" – means units of Newport Partners Income Fund;

"Trust Notes" – means notes of Newport Partners Income Fund; and

"TSX" – Toronto Stock Exchange.