Consolidated Financial Statements of

NEWPORT PARTNERS INCOME FUND

Three months and nine months ended September 30, 2008 and 2007
(Unaudited)

NEWPORT PARTNERS INCOME FUND

Consolidated Balance Sheets

(In thousands of dollars)

	September 30, 2008 (Unaudited)	December 31, 2007
Assets		
Current assets:		
Cash and cash equivalents	$ 8,334	$ 14,457
Cash and short-term investments held in trust	22,476	27,404
Accounts receivable (note 3)	131,442	137,219
Inventories (note 4)	38,427	34,637
Prepaid expenses	3,363	2,868
Other current assets	20,093	21,455
Current assets of discontinued operations (note 7)	-	7,446
	224,135	245,486
Property, plant and equipment	44,666	43,324
Long-term investments	23,755	47,254
Goodwill	243,336	256,669
Intangible assets	266,676	303,156
Other assets	15,130	14,090
Long-lived assets of discontinued operations (note 7)	-	39,257
	$ 817,698	$ 949,236
Liabilities and Unitholders' Equity		
Current liabilities:		
Revolving credit facility (note 8)	$ -	$ 47,527
Accounts payable and accrued liabilities	117,577	110,230
Deferred revenue	16,651	13,819
Current portion of obligations under capital leases	5,524	5,353
Current liabilities of discontinued operations (note 7)	-	8,034
	139,752	184,963
Obligations under capital leases	8,981	8,910
Long-term debt (note 8)	205,669	204,862
Future tax liability	31,262	33,259
Long-term liabilities of discontinued operations	-	882
Non-controlling interest	60,706	107,466
Convertible debenture	151,868	149,530
Unitholders' equity (note 10)	219,460	259,364
	$ 817,698	$ 949,236

See accompanying notes to unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

Consolidated Statements of Loss and Comprehensive Loss
(In thousands of dollars, except per unit amounts)
(Unaudited)

	Three months ended September 30 2008	Three months ended September 30 2007	Nine months ended September 30 2008	Nine months ended September 30 2007
Revenues	$ 166,649	$ 141,104	$ 495,162	$ 375,064
Cost of revenues	122,289	97,152	349,445	252,489
	44,360	43,952	145,717	122,575
Expenses				
Selling, general and administrative	29,474	25,772	93,137	71,206
Amortization of intangible assets	9,933	9,516	29,853	26,580
Depreciation	3,029	2,330	8,318	6,091
	42,436	37,618	131,308	103,877
Income before the undernoted	1,924	6,334	14,409	18,698
Income from equity investments	500	1,472	1,995	2,988
Other income (expense)	(382)	229	330	782
Interest expense	9,076	8,323	27,448	21,169
Loss on dilution of ownership interest	-	808	-	6,872
Write-down of goodwill and intangibles (note 6)	12,986	-	12,986	-
Impairment of long-term investment (note 6)	22,000	-	22,000	-
Loss before income taxes	(42,020)	(1,096)	(45,700)	(5,573)
Income tax expense (recovery) - current	14	(28)	33	(340)
Income tax expense (recovery) - future	(1,890)	-	(1,996)	39,958
Loss from continuing operations before non-controlling interest	(40,144)	(1,068)	(43,737)	(45,191)
Non-controlling interest relating to continuing operations	15,573	653	17,122	20,122
Loss from continuing operations	(24,571)	(415)	(26,615)	(25,069)
Income (loss) from discontinued operations before non-controlling interest (note 7)	(6,000)	952	(4,576)	(2,971)
Non-controlling interest relating to discontinued operations	2,321	(594)	1,741	1,222
Income (loss) from discontinued operations	(3,679)	358	(2,835)	(1,749)
Net loss and comprehensive loss	$ (28,250)	$ (57)	$ (29,450)	$ (26,818)
Loss per unit (note 9)				
Basic and diluted:				
Continuing operations	$ (0.56)	$ (0.00)	$ (0.62)	$ (0.63)
Discontinued operations	(0.08)	(0.00)	(0.07)	(0.04)
Net loss	(0.64)	(0.00)	(0.69)	(0.67)

See accompanying notes to unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

Consolidated Statements of Unitholders' Equity
(In thousands of dollars, except per unit amounts)
(Unaudited)

	Number of Units	Unitholders' Capital	Equity Component of Convertible Debenture	Deficit	Contributed Surplus	Total Unitholders' Equity
Balance – January 1, 2008	41,366,957	$ 376,704	$ 9,850	$ (128,582)	$ 1,392	$ 259,364
Units exchanged	2,672,505	10,452	-	-	-	10,452
Net loss for the period	-	-	-	(29,450)	-	(29,450)
Distributions	-	-	-	(20,906)	-	(20,906)
Balance – September 30, 2008	44,039,462	$ 387,156	$ 9,850	$ (178,938)	$ 1,392	$ 219,460

	Number of Units	Unitholders' Capital	Equity Component of Convertible Debenture	Deficit	Contributed Surplus	Total Unitholders' Equity
Balance – January 1, 2007	39,283,565	$ 364,805	$ 664	$ (63,430)	$ -	$ 302,039
Cumulative impact of adopting new accounting rules	-	-	-	60	-	60
Units exchanged	3,645,696	22,730	-	-	-	22,730
Units purchased under normal course issuer bid	(1,924,572)	(12,948)	-	-	1,323	(11,625)
Convertible debenture	-	-	9,186	-	-	9,186
Net loss for the period	-	-	-	(26,818)	-	(26,818)
Distributions	-	-	-	(29,926)	-	(29,926)
Balance - September 30, 2007	41,004,689	$ 374,587	$ 9,850	$ (120,114)	$ 1,323	$ 265,646

See accompanying notes to unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

Consolidated Statements of Cash Flows
(In thousands of dollars, except unit amounts)
(Unaudited)

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Cash provided by (used in):				
Operating activities:				
Net loss	$ (28,250)	$ (57)	$ (29,450)	$ (26,818)
Items not affecting cash:				
Loss (income) from discontinued operations before controlling interest	6,000	(952)	4,576	2,971
Amortization of intangible assets	9,933	9,516	29,853	26,580
Depreciation	3,029	2,330	8,507	6,091
Future income tax expense (recovery)	(1,890)	-	(1,996)	39,958
Income from equity investments, net of cash received	508	64	1,452	1,033
Non-cash interest expense	1,080	987	3,169	1,805
Non-cash compensation expense	774	1,196	2,328	2,316
Loss on dilution of ownership interest	-	808	-	6,872
Write-down of goodwill and intangibles	12,986	-	12,986	-
Impairment of long-term investment	22,000	-	22,000	-
Non-controlling interest	(17,894)	(59)	(18,863)	(21,344)
Changes in non-cash working capital	11,206	(16,120)	15,602	(19,458)
Cash provided by (used in) discontinued operations	1,757	1,688	3,890	17,006
	21,239	(599)	54,054	37,012
Financing activities:				
Repurchase of units	-	(6,160)	-	(11,624)
Issuance of convertible debt net of costs	-	76,025	-	76,025
Distributions to unitholders	(7,211)	(10,195)	(20,906)	(29,926)
Distributions to non-controlling interest	(4,475)	(7,428)	(14,152)	(23,199)
Decrease (increase) in cash held in trust	6,980	(4,297)	4,928	(5,931)
Increase (decrease) in bank indebtedness	(42,064)	(11,048)	(47,527)	41,016
Increase in long-term debt	-	-	-	20,001
Repayment of capital lease obligations	(658)	(801)	(3,663)	(2,285)
Cash used in discontinued operations	(6,717)	(1,412)	(8,459)	(10,756)
	(54,145)	34,684	(89,779)	53,321
Investing activities:				
Acquisition of businesses, net of cash acquired	2,000	(44,189)	1,109	(122,660)
Proceeds on disposal of business	30,710	-	30,710	24,000
Purchase of long-term investments	-	(40)	-	(40)
Purchase of property, plant and equipment	(3,378)	(1,046)	(5,746)	(4,034)
Purchase of intangible assets	-	(79)	-	(79)
Increase in other assets	(160)	(12,508)	(1,040)	(13,034)
Cash used in discontinued operations	(663)	(448)	(1,252)	(16,601)
	28,509	(58,310)	23,781	(132,448)
Increase (decrease) in cash and cash equivalents	(4,397)	(24,225)	(11,944)	(42,115)
Cash and cash equivalents, beginning of period - continuing operations	7,109	28,428	14,457	52,222
Cash and cash equivalents, beginning of period - discontinued operations	5,622	8,298	5,821	2,394
Cash and cash equivalents, end of period	8,334	12,501	8,334	12,501
Cash and cash equivalents, end of period - discontinued operations	-	8,126	-	8,126
Cash and cash equivalents, end of period – continuing operations				
Cash	8,254	4,375	8,254	4,375
Cash equivalents	80	-	80	-
	$ 8,334	$ 4,375	$ 8,334	$ 4,375
Supplemental cash flow information:				
Interest paid	$ 5,213	$ 5,850	$ 21,925	$ 18,168
Cash acquired upon acquisition	-	228	61	1,417
Supplemental disclosure of non-cash financial and investing activities:				
Acquisition of property, plant and equipment through capital leases	749	223	3,243	4,125

See accompanying notes to unaudited interim consolidated financial statements.

Newport Partners Income Fund ("the Fund") is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated May 13, 2005 (the "Declaration of Trust").

The Fund has been created to hold, through the Fund's investment in Newport Partners Commercial Trust (the "Commercial Trust"), interests in Newport Private Yield LP ("NPY"), and its general partner, NPY GP Trust. NPY is a limited partnership formed to invest in securities of private businesses, either in limited partnerships or in corporations (collectively the "Operating Partnerships") and distribute the available cash flows to the limited partners (see note 10). As at September 30, 2008, the Fund indirectly holds all of the A1 LP units of NPY, representing approximately 61% (September 30, 2007 – 57%) of the outstanding LP units.

1. Basis of presentation

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Certain information and note disclosures normally included in the consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles have been condensed to include only the notes related to elements which have significantly changed in the interim period. As a result, these interim consolidated financial statements should be read in conjunction with the Fund's audited consolidated financial statements and notes thereto for the year ended December 31, 2007.

These unaudited interim consolidated financial statements are prepared following accounting policies consistent with the Fund's audited consolidated financial statements and notes thereto for the year ended December 31, 2007, except for changes discussed in note 2.

2. Changes in accounting policies and future accounting standards

The Fund adopted the Canadian Institute of Chartered Accountants "CICA" Handbook Sections 1535, "Capital Disclosures", Section 3862, "Financial Instruments Disclosure", Section 3863, "Financial Instruments Presentation, and Section 3031, "Inventories" on January 1, 2008. The comparative interim consolidated financial statements have not been restated, as permitted by the standards.

(a) Capital disclosures

Section 1535, "Capital Disclosures", establishes guidelines for the disclosure of information regarding a business' capital and how it is managed. The standard requires enhanced disclosures with respect to (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; and (iii) whether the entity has complied with any capital requirements, and if it has not complied, the consequences of such non-compliance. Disclosure is included in note 13.

(b) Financial instruments

Section 3862, "Financial Instruments Disclosure", and Section 3863, "Financial Instruments Presentation", replace Section 3861, "Financial Instruments – Disclosure and Presentation". Section 3862 requires increased disclosures regarding the risks associated with financial instruments such as credit risk, liquidity risk and market risks and the techniques used to identify, monitor and manage these risks. Section 3863 carries forward standards for presentation of financial instruments and non-financial derivatives and provides additional guidance for the classification of financial instruments, from the perspective of the issuer, between liabilities and equity. Disclosure is included in note 3 and note 12.

(c) Inventories

The new Section 3031, "Inventories", was issued in June 2007 and replaced existing Section 3030 of the same title. It provides guidance with respect to the determination of cost and requires inventories to be measured at the lower of cost and net realizable value. The cost of inventories include the costs to purchase and other costs incurred in bringing the inventories to their present location. Costs such as storage costs and administrative overheads that do not contribute to bringing the inventories to their present location and condition are specifically excluded from the cost of inventories and expensed in the period incurred. Reversal of previous write-downs to net realizable value when there is a subsequent increase in the value of the inventories is now required. The cost of the inventories should be based on a first-in, first-out or a weighted average cost formula. Techniques used for the measurement of cost of inventories, such as the retail method, may be used for convenience if the results approximate cost. The new standard also requires additional disclosures including the accounting policies used in measuring inventories, the carrying amount of the inventories, amounts recognized as an expense during the period, write-downs and the amount of any reversal of any write-downs recognized as a reduction in expenses.

The standard is effective for fiscal years beginning on or after January 1, 2008. The difference in the measurement of opening inventory may be applied to the opening of inventory for the period, with an adjustment to opening retained earnings with no prior periods restated, or retrospectively with a restatement to prior periods in accordance with Section 1506, "Accounting Changes". There was no difference to be accounted for by the Fund.

(d) Future accounting standards

(i) In February 2008, the CICA issued Handbook Section 3064, Goodwill and Intangible Assets effective for interim and annual periods relating to fiscal years beginning on or after October 1, 2008. Section 3064, which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs, establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Fund's interim and annual financial statements commencing January 1, 2009. The Fund is assessing the impact of the new standard on its financial statements.

(In thousands of dollars, except per unit amounts)

(ii) In February 2008, the Canadian Accounting Standards Board confirmed that the use of International Financial Reporting Standards ("IFRS") will be required for Canadian publicly accountable enterprises for years beginning on or after January 1, 2011. The Fund is currently evaluating the impact of adopting IFRS.

3. Financial instruments

(a) The Fund has classified its financial instruments as follows:

	September 30, 2008	December 31, 2007
Financial assets		
Held for trading, measured at fair value:		
Cash and cash equivalents	$ 8,334	$ 14,457
Short-term investments held in trust	8,494	9,588
Cash and cash equivalents held in trust	13,982	17,816
	30,810	41,861
Loans and receivables, measured at amortized cost:		
Accounts receivable	131,442	133,170
Advances to Operating Partners	25,510	28,328
	156,952	161,498
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	117,577	110,230
Revolving credit facility	-	47,527
Capital lease obligations	14,505	14,263
Long-term debt	205,669	204,862
Convertible debentures	151,868	149,530
	$ 489,619	$ 526,412

The Fund had neither available for sale, nor held to maturity financial instruments during the period ended September 30, 2008 or during the year ended December 31, 2007.

The Fund's insurance operations maintain trust bank accounts for premiums collected but not yet remitted to insurance companies.

(In thousands of dollars, except per unit amounts)

(b) Short-term investments

The Fund's short-term investments held in trust are comprised of the following:

	September 30, 2008	December 31, 2007
Marketable securities	8,494	-
Bonds	-	9,588
	$ 8,494	$ 9,588

(c) Net interest expense

The Fund has recorded net interest expense in relation to the following financial instruments:

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Interest expense on senior debt	$ 5,783	$ 5,557	$ 18,029	$ 15,673
Interest expense on convertible debt	3,791	3,552	11,299	7,100
Interest expense on capital leases	232	67	670	306
Interest expense - other	195	46	1,159	209
Net interest income earned on advances to Operating Partners	(640)	(643)	(2,789)	(1,381)
Interest income earned on cash	(209)	(168)	(665)	(485)
Interest income earned on short-term investments held in trust	(76)	(88)	(255)	(253)
	$ 9,076	$ 8,323	$ 27,448	$ 21,169

(d) Accounts receivable

The Fund's accounts receivable is comprised of the following:

	September 30, 2008	December 31, 2007
Trade receivables	$ 111,673	$ 131,056
Allowance for doubtful accounts	(1,918)	(1,461)
Other	21,687	7,624
	$ 131,442	$ 137,219

(In thousands of dollars, except per unit amounts)

4. Inventories

Inventory is comprised as follows:

	September 30, 2008	December 31, 2007
Raw materials	$ 2,849	$ 4,647
Work in progress	20,556	16,236
Finished goods	4,797	2,045
Goods held for resale	9,807	11,105
Parts and supplies	418	604
	$ 38,427	$ 34,637

Work in progress also includes contracts accounted for using the percentage of completion method.

Goods held for re-sale reflects inventory held at Titan, an independent distributor of wear parts and ground engaging tool products.

An inventory write-down of $1,953 was recorded for the three months ended September 30, 2008 and $1,971 for the nine months ended September 30, 2008.

5. Business combinations

On January 1, 2008 Titan paid $1,235 to acquire and cancel 4.3% of its units. As a consequence, the Fund's ownership percentage of Titan increased to 91.9%, and goodwill relating to this investment has increased by $785.

On April 4, 2008, the Fund completed an Acquisition Agreement with Duntroon Energy Ltd. ("Duntroon") pursuant to which the Fund exchanged all of its 45% equity interest in Brompton Funds LP ("Brompton") to Duntroon for a 41.7% equity interest in Duntroon. Immediately following the transaction Duntroon changed it name to Brompton Corp. The transaction will allow Brompton to carry on its business as an incorporated entity and as a reporting issuer which may provide it with more options to capitalize its business and complete strategic acquisitions more efficiently. As there was no monetary asset involved, the transaction has been accounted for as a non-monetary transaction. Therefore, the shares in Brompton Corp. will be recorded at the carrying value of the asset given up (i.e. units of Brompton).

On August 1, 2008, the Fund completed the second year of its ownership of its 80% interest in IC Group. As part of a three part earn-out arrangement, a purchase price adjustment, in the Fund's favour of $2,852 was calculated, and has been recorded as a reduction in the carrying value of goodwill. $2,000 of this amount was received in cash from the vendor, and the balance is included as a receivable in other assets.

(In thousands of dollars, except per unit amounts)

6. Write-down of goodwill and intangibles, and impairment of long-term assets

The Fund reviews all of its investments for possible impairment on an annual basis, or more frequently if there is an event which in the view of management would trigger an earlier review. In view of the turbulent financial and credit marketplace, the Fund has decided to perform the impairment test at September 30, 2008. As a result of revenue and customer attrition, it was determined that the goodwill associated with the investment in Armstrong is impaired, and accordingly a write-down of $6,375 has been recorded, and that brand values associated with the investments in Armstrong and Titan are impaired, and accordingly write-downs of $2,560 and $4,051 have been recorded. In conjunction with the write-downs of brand values, the Fund has recorded a future income taxes recovery of $1,850. In addition, as a result of revenue attrition and weaker demand for its product suite, it was determined that the Fund's investment in Brompton is impaired, and accordingly a write-down of $22,000 has been recorded.

7. Discontinued operations

On January 1, 2008 the operations of On-Site LP ("On-Site") were wound up into Ezee ATM LP ("Ezee"), and On-Site continued to operate as part of Ezee. On September 30, 2008, the Fund sold 100% of the assets of its investment in Ezee. The investment was sold for net proceeds of $30,710, resulting in a loss of $6,315 which is included in loss from discontinued operations. In addition, the Fund received an additional $5,500 as repayment of advances provided to Ezee for purposes of funding cash in circulation.

On April 30, 2007, the Fund sold 100% of the assets of its investment in RGC, other than RGC's 45% equity investment in RLogistics which has not been sold. The equity income from this investment is included in the Other segment.

The following table shows the revenue and net income from discontinued operations of Ezee for the three and nine months ended September 30, 2008.

	Three months ended September 30, 2008	Nine months ended September 30, 2008
Revenues	$ 9,167	$ 25,975
Net income (loss)	(6,000)	(4,576)

The following table shows the revenue and net income (loss) from discontinued operations of Ezee and RGC for the three and nine months ended September 30, 2007.

	Three months ended September 30, 2007			Nine months ended September 30, 2007		
	Ezee	RGC	Total	Ezee	RGC	Total
Revenues	$ 8,692	$ -	$ 8,692	$ 24,690	$ 42,994	$ 67,684
Net income (loss)	952	-	952	2,256	(5,227)	(2,971)

(In thousands of dollars, except per unit amounts)

The balance sheet of Ezee at December 31, 2007 has been categorized as assets and liabilities of discontinued operations. The components of these items are as follows:

	December 31, 2007
Current assets	
Cash	$ 5,821
Accounts receivable	507
Inventories	830
Prepaid expenses	66
Other current assets	222
Current assets of discontinued operations	7,446
Property, plant and equipment	2,476
Intangible assets	12,227
Goodwill	24,554
Long-lived assets of discontinued operations	39,257
Current liabilities	
Accounts payable and accrued liabilities	8,034
Current liabilities of discontinued operations	8,034
Future tax liability	882
Long-term liabilities of discontinued operations	882
Net assets of discontinued operations	$ 37,787

8. Credit facilities and long-term debt

On September 30, 2008, the Fund amended the Senior Credit Agreement it has with an affiliate of Fortress Credit Corp. The material items included in the amendment were:

(i) Consent for the disposition of the assets of Ezee.

(ii) For the period ending September 30, 2008, only, the leverage limit is increased from 2.75 times the last twelve months proforma EBITDA ("LTM EBITDA"), to 3 times LTM EBITDA, returning to 2.75 times LTM EBITDA for the quarter ending December 31, 2008 and all periods thereafter.

(iii) The interest rates on the revolver operating facility have increased by 25 basis points, from Banker's Acceptance Rate (BA Rate) plus 2.50% per annum to BA Rate plus 2.75% per annum.

(iv) The interest rates on the term loan have been increased by 100 basis points from BA Rate plus 3.5% to 4.95% depending on total senior leverage ratio to BA Rate plus 4.5% to 5.95% depending on total senior leverage ratio.

(v) Cancellation of the undrawn portion of the delayed-draw term loan, being $35,000.

9. Net loss per unit

The potential issuance of units upon the conversion of the convertible debenture has not been taken into account in the computation of fully diluted income (loss) per unit as they are anti-dilutive.

10. Unitholders' equity

Holders of A2 LP units of NPY have the right to exchange their units into trust units. During the three and nine months ended September, 30, 2008, 741,676 and 2,672,505 A2 LP units were exchanged (2007 – 1,177,671 and 3,645,696). As 2,130,766 of these units of NPY were outstanding prior to the IPO (2007 – 1,176,171) the conversion of these units was calculated as a step acquisition using the original carrying value of these units.

Amounts to be distributed in respect of the units will be made at the sole discretion of the trustees. On October 8, 2008, the Fund announced that it was suspending payments of distributions subsequent to the distribution payment of October 15th.

For the three and nine months ended September 30, 2008 total distributions paid and payable were $7,106 and $20,905, respectively (2007 - $10,195 and $29,926, respectively).

11. Segmented information

The Fund has six reportable operating segments, each of which has separate operational management and management reporting information. All of the Fund's operations, assets and employees are located in Canada. The financial services segment incorporates investment management, institutional money management, wealth management, specialty insurance underwriting and insurance brokerage services. The marketing segment represents the investment in non-traditional marketing operations that acquires rights in media, publications and television, and an investment in an integrated direct marketing company with its primary focus on inbound and outbound teleservices, an investment in a fully integrated marketing services agency and investments in two promotional solutions marketing firms. The industrial services segment includes two reportable segments and represents the investments in fully integrated providers of mid-stream production services to the energy industry and in a provider of demolition contract service and site remediation services. The other segment incorporates a manufacturer of protective outerwear, a distributor and manufacturer of heavy equipment, a container transportation business and a reverse logistics provider. The corporate segment represents head office administrative and financing costs incurred by the Partnership. The accounting polices of the segments are the same as those described in the summary of significant accounting polices in note one. The Fund utilizes earning before interest, taxes, depreciation and amortization ("EBITDA") as a performance measure for its operating partners and segment results, and accordingly a reconciliation from net income to EBITDA is included herein.

(In thousands of dollars, except per unit amounts)

Three months ended September 30, 2008	Financial Services	Marketing	Industrial Services		Other	Corporate	Total
			Golosky (ii)	Murray			
Revenue	$ 11,712	$ 23,698	$ 65,986	$ 44,629	$ 20,624	$ -	$ 166,649
Cost of revenue	5,068	11,472	55,943	35,190	14,616	-	122,289
	6,644	12,226	10,043	9,439	6,008	-	44,360
Expenses							
Selling, general and administrative	2,913	8,540	6,359	6,980	3,263	1,419	29,474
Amortization of intangible assets	3,296	1,567	1,581	1,780	1,709	-	9,933
Depreciation	111	364	1,554	779	142	79	3,029
	6,320	10,471	9,494	9,539	5,114	1,498	42,436
Income (loss) before the undernoted	324	1,755	549	(100)	894	(1,498)	1,924
Income from equity investment	163	18	-	-	319	-	500
Other expense	(382)	-	-	-	-	-	(382)
Interest (income) expense	(128)	74	2,325	91	355	6,359	9,076
Write-down of goodwill and intangibles	-	8,935	-	-	4,051	-	12,986
Impairment of long-term investment	22,000	-	-	-	-	-	22,000
Income tax expense - current	6	-	-	-	-	8	14
Income tax recovery - future	-	(716)	(40)	-	(1,134)	-	(1,890)
Income (loss) from continuing operations	$ (21,773)	$ (6,520)	$ (1,736)	$ (191)	$ (2,059)	$ (7,865)	$ (40,144)
Add back:							
Interest (income) expenses	(128)	74	2,325	91	355	6,359	9,076
Depreciation and amortization (iii)	3,407	1,931	3,135	2,559	1,874	79	12,985
Amortization of Brompton intangible asset (i)	484	-	-	-	-	-	484
Income tax expense – current	6	-	-	-	-	8	14
Income tax recovery - future	-	(716)	(40)	-	(1,134)	-	(1,890)
EBITDA	$ (18,004)	$ (5,231)	$ 3,684	$ 2,459	$ (964)	$ (1,419)	$ (19,475)
Goodwill acquired	-	-	-	-	-	-	-
Expenditures for property, plant and equipment	24	162	1,593	1,537	61	2	3,379
Total assets	313,747	95,723	164,622	101,983	95,677	45,946	817,698
Total goodwill	154,549	26,350	29,580	17,796	15,062	-	243,336

(i) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(ii) Formerly NPC.

(iii) Depreciation of $23 relating to production equipment has been included in the cost of revenues. This presentation reflects the Fund's implementation of the new inventory accounting standard effective January 1, 2008.

(In thousands of dollars, except per unit amounts)

Three months ended September 30, 2007	Financial Services	Marketing	Industrial Services NPC	Industrial Services Murray	Other	Corporate	Total
Revenue	$ 11,867	$ 20,803	$ 52,064	$ 34,249	$ 22,121	$ -	$ 141,104
Cost of revenue	4,576	9,978	42,125	24,018	16,455	-	97,152
	7,291	10,825	9,939	10,231	5,666	-	43,952
Expenses							
Selling, general and administrative	3,146	7,623	5,136	5,338	3,301	1,228	25,772
Amortization of intangible assets	3,295	1,647	1,064	1,791	1,719	-	9,516
Depreciation	157	343	1,109	543	178	-	2,330
	6,598	9,613	7,309	7,672	5,198	1,228	37,618
Income (loss) before the undernoted	693	1,212	2,630	2,559	468	(1,228)	6,334
Income from equity investment	1,145	-	-	-	327	-	1,472
Other income	229	-	-	-	-	-	229
Interest (income) expense	(168)	75	1,498	20	639	6,259	8,323
Loss on dilution of ownership	-	-	-	-	-	808	808
Income tax recovery - current	(11)	-	(17)	-	-	-	(28)
Income (loss) from continuing operations	$ 2,246	$ 1,137	$ 1,149	$ 2,539	$ 156	$ (8,295)	$ (1,068)
Add back:							
Interest (income) expense	(168)	75	1,498	20	639	6,259	8,323
Depreciation and amortization	3,452	1,990	2,173	2,334	1,897	-	11,846
Amortization of Brompton intangible asset (i)	484	-	-	-	-	-	484
Income tax recovery - current	(11)	-	(17)	-	-	-	(28)
EBITDA	$ 6,003	$ 3,202	$ 4,803	$ 4,893	$ 2,692	$ (2,036)	$ 19,557
Goodwill acquired	45	-	10,191	200	-	-	10,436
Expenditures for property, plant and equipment	-	338	569	80	59	-	1,046
As at December 31, 2007:							
Total assets (ii)	342,430	112,668	165,609	104,589	102,019	121,921	949,236
Total goodwill	155,604	35,351	30,334	19,926	15,454	-	256,669

(i) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(ii) Discontinued operations previously part of the financial services and distribution segment are included in the corporate segment.

(In thousands of dollars, except per unit amounts)

Nine months ended September 30, 2008	Financial Services	Marketing	Industrial Services Golosky (ii)	Industrial Services Murray	Other	Corporate	Total
Revenue	$ 38,214	$ 67,259	$ 213,633	$114,082	$ 61,974	$ -	$ 495,162
Cost of revenue	15,291	30,684	174,622	84,388	44,460	-	349,445
	22,923	36,575	39,011	29,694	17,514	-	145,717
Expenses							
Selling, general and administrative	9,015	26,194	23,002	19,938	10,235	4,753	93,137
Amortization of intangible assets	9,888	4,757	4,745	5,341	5,122	-	29,853
Depreciation	335	1,095	4,291	2,098	409	90	8,318
	19,238	32,046	32,038	27,377	15,766	4,843	131,308
Income (loss) before the undernoted	3,685	4,529	6,973	2,317	1,748	(4,843)	14,409
Income from equity investment	874	53	-	-	1,068	-	1,995
Other income	330	-	-	-	-	-	330
Interest (income) expense	(355)	240	6,861	254	1,186	19,262	27,448
Write-down of goodwill and intangibles	-	8,935	-	-	4,051	-	12,986
Impairment of long-term investment	22,000	-	-	-	-	-	22,000
Income tax expense - current	10	-	6	-	-	17	33
Income tax recovery – future	(20)	(716)	(126)	-	(1,134)	-	(1,996)
Income (loss) from continuing operations	$ (16,746)	$ (3,877)	$ 232	$ 2,063	$ (1,287)	$ (24,122)	$ (43,737)
Add back:							
Interest (income) expense	(355)	240	6,861	254	1,186	19,262	27,448
Depreciation and amortization (iii)	10,223	5,852	9,155	7,439	5,601	90	38,360
Amortization of Brompton intangible asset (i)	1,452	-	-	-	-	-	1,452
Income tax expense - current	10	-	6	-	-	17	33
Income tax recovery – future	(20)	(716)	(126)	-	(1,134)	-	(1,996)
EBITDA	$ (5,436)	$ 1,499	$ 16,128	$ 9,756	$ 4,366	$ (4,753)	$ 21,560
Goodwill acquired	-	-	-	-	785	-	785
Expenditures for property, plant and equipment	156	694	1,733	2,991	165	6	5,746
Total assets	313,747	95,723	164,622	101,983	95,677	45,946	817,698
Total goodwill	154,549	26,350	29,580	17,796	15,062	-	243,336

(i) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(ii) Formerly NPC.

(iii) Depreciation of $189 relating to production equipment has been included in the cost of revenues. This presentation reflects the Fund's implementation of the new inventory accounting standard effective January 1, 2008

(In thousands of dollars, except per unit amounts)

Nine months ended September 30, 2007	Financial Services	Marketing	Industrial Services		Other	Corporate	Total
			NPC	Murray			
Revenue	$ 38,774	$ 64,453	$ 123,334	$ 78,905	$ 69,598	$ -	$ 375,064
Cost of revenue	14,638	30,053	101,267	55,081	51,450	-	252,489
	24,136	34,400	22,067	23,824	18,148	-	122,575
Expenses							
Selling, general and administrative	7,893	23,710	11,229	13,268	10,378	4,728	71,206
Amortization of intangible assets	9,396	4,939	2,407	4,677	5,161	-	26,580
Depreciation	388	1,239	2,778	1,166	520	-	6,091
	17,677	29,888	16,414	19,111	16,059	4,728	103,877
Income (loss) before the undernoted	6,459	4,512	5,653	4,713	2,089	(4,728)	18,698
Income from equity investment	2,183	-	-	-	805	-	2,988
Other income	782	-	-	-	-	-	782
Interest (income) expense	(380)	214	2,436	(14)	1,844	17,069	21,169
Loss on dilution of ownership	-	-	-	-	-	6,872	6,872
Income tax recovery - current	-	-	(340)	-	-	-	(340)
Income tax expense (recovery) – future	20,737	9,222	2,313	(252)	7,908	30	39,958
Income (loss) from continuing operations	$ (10,933)	$ (4,924)	$ 1,244	$ 4,979	$ (6,858)	$ (28,699)	$ (45,191)
Add back:							
Interest (income) expense	(380)	214	2,436	(14)	1,844	17,069	21,169
Depreciation and amortization	9,784	6,178	5,185	5,843	5,681	-	32,671
Amortization of Brompton intangible asset (i)	1,452	-	-	-	-	-	1,452
Income tax recovery - current	-	-	(340)	-	-	-	(340)
Income tax expense (recovery) – future	20,737	9,222	2,313	(252)	7,908	30	39,958
EBITDA	$ 20,660	$ 10,690	$ 10,838	$ 10,556	$ 8,575	$ (11,600)	$ 49,719
Goodwill acquired	4,222	-	11,318	8,021	-	-	23,561
Expenditures for property, plant and equipment	103	1,901	1,096	667	266	-	4,033
As at December 31, 2007:							
Total assets (ii)	342,430	112,668	165,609	104,589	102,019	121,921	949,236
Total goodwill	155,604	35,351	30,334	19,926	15,454	-	256,669

(i) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(ii) Discontinued operations previously part of the financial services and distribution segment are included in the corporate segment.

(In thousands of dollars, except per unit amounts)

12. Financial risk management

(a) Overview

The Fund has exposure to credit risk, liquidity risk and market risk. The Fund's board of trustees has overall responsibility for the establishment and oversight of the Fund's risk management framework.

(b) Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Fund's accounts receivables. The carrying amount of financial assets represents the maximum credit exposure.

The Fund has adopted a credit policy under which each new customer is analyzed individually for creditworthiness before the Fund's standard payment terms and conditions are offered. The Fund's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. When available, the Fund reviews credit bureau ratings, bank accounts and financial information for each new customer. The majority of the Fund's customers are located in Canada and represent various industries. For the three months ended September 30, 2008, one customer represents 13% of consolidated revenue. For the nine months ended September 30, 2008, one customer represents 12% of consolidated revenue.

The Fund establishes an allowance for doubtful accounts that represent its estimate of incurred losses in respect of trade receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and an overall loss component established based on historical trends and other information.

Accounts receivable are non-interest bearing and are generally due within periods up to 90 days. At September 30, 2008, the allowance for doubtful accounts was $1,918. The changes in the allowance during the period were as follows:

	September 30, 2008
Allowance at beginning of period	$ 1,461
Impairment of receivables	655
Receivables written-off as uncollectible	(198)
Allowance at end of period	$ 1,918

(In thousands of dollars, except per unit amounts)

At September 30, 2008, the trade receivables over 90 days that are past due but not impaired was:

	>90 Days	>120 Days
Gross trade accounts receivable	$ 9,923	$ 2,931
Allowance at end of period	(198)	(1,700)
	$ 9,725	$ 1,231

(c) Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

As at September 30, 2008, the Fund had financial assets held for trading of $30,810, loans and receivables of $156,749 and financial liabilities of $482,113. As at December 31, 2007, the Fund had financial assets held for trading of $41,861, loans and receivables of $161,498 and financial liabilities of $526,412. The revolving credit facility and long-term debt have maturity dates in 2011, and the convertible debentures have maturity dates in 2010 and 2012. The capital lease obligations expire primarily in the years 2008 to 2012.

The Fund's strategy is that long-term debt should always form part of its capital structure, assuming an appropriate cost of capital. As existing debt approaches maturity, the Fund will either replace it with new debt, convert into equity or refinance, depending on the state of the capital markets at the time.

The Fund manages its liquidity risk by continuously monitoring forecast and actual gross profit and cash flows from operations.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its financial instruments. The Fund markets its products primarily in Canada and substantially all of the Fund's financial assets and liabilities originate in Canadian dollars. The Fund is exposed to currency risk for purchases that are denominated in U.S. dollars. The Fund believes this risk is minimal and has not entered into any currency hedging transactions.

(In thousands of dollars, except per unit amounts)

The Fund is exposed to currency risk on certain sales and purchases. At September 30, 2008 and December 31, 2007, the Fund's financial statements included the Canadian equivalent of the following U.S. dollar denominated balances:

	September 30, 2008	December 31, 2007
Accounts receivable	$ 3,950	$ 5,447
Accounts payable and accrued liabilities	(1,884)	(2,466)
	$ 2,066	$ 2,981

A 10% strengthening (weakening) of the Canadian dollar against the U.S. dollar would have decreased (increased) earnings from operations based on September 30, 2008 balance by $207.

For the long-term debt facility, the Fund's interest is a floating rate based on the BA rate of the outstanding principal balance of the loan. If the interest payments continue to be based on the floating rate, a 1% increase (decrease) in the interest rate would have resulted in $525 decrease (increase) in the earnings from operations of the Fund for the three months ended September 30, 2008. This analysis assumes that all other variables remain constant.

(e) Fair value of financial instruments

The fair values of the financial assets and financial liabilities are determined as follows:

(i) For cash, restricted cash, accounts receivable, accounts payable and accrued liabilities carrying amounts approximate fair value due to their short-term maturity:

(ii) Short-term investments are measured at fair value using quoted market prices; and

(iii) The fair value of notes payable approximate their carrying value as their effective interest rates approximate current market rates.

13. Capital Management

The Fund's objective is to maintain access to diverse and cost-effective sources of capital with which to finance its operations and its investment program. The Fund maintains a balanced and flexible capital structure composed of permanent equity, equity-linked debt and a senior credit facility. The Fund provides working capital advances to the Operating Partnerships as well as funding for tuck-in acquisitions (i.e. strategic acquisitions made by Operating Partnerships directly).

The Fund manages its capital structure and makes changes to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Fund will balance its overall capital structure through new unit issues, unit repurchases, issuance of debt, repayment of debt or by undertaking other activities as deemed appropriate in the specific circumstances.

For 2008 the Fund has set three priorities relating to capital management: reduce debt under the credit facility, buy back its units and provide funding for strategic, value-creating acquisitions by its existing operating partnerships. These activities enhance the Fund.

The Fund's credit facility includes customary positive and negative covenants that can be categorized as externally imposed capital requirements. As at September 30, 2008, the Fund was in compliance with all its obligations under the credit facility.

14. Comparative figures

The 2007 comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2008 unaudited interim consolidated financial statements.