Consolidated Financial Statements of

NEWPORT PARTNERS INCOME FUND

Three months and nine months ended September 30, 2009 and 2008
(Unaudited)

NEWPORT PARTNERS INCOME FUND

Consolidated Balance Sheets
(In thousands of dollars)

	September 30 2009 (Unaudited)	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	$ 41,916	$ 23,559
Cash and short-term investments held in trust	19,124	14,154
Accounts receivable	123,891	140,132
Inventories	35,610	33,112
Prepaid expenses	3,726	2,942
Other current assets	20,566	22,830
Future tax asset	3,330	1,393
Assets of discontinued operations (note 4)	71,006	20,554
	319,169	258,676
Property, plant and equipment	45,649	44,060
Long-term investments	15,121	15,998
Goodwill	72,243	70,640
Intangible assets	132,400	168,953
Other assets	13,750	15,706
Long-term assets of discontinued operations (note 4)		45,009
	$ 598,332	$ 619,042
Liabilities and Unitholders' Equity		
Current liabilities:		
Revolving credit facilities (note 6)	$ 42,193	$ 27,400
Current portion of long-term debt (note 6)	210,000	210,000
Convertible Debentures (note 6)	155,243	
Accounts payable and accrued liabilities	106,163	102,306
Deferred revenue	12,426	10,742
Current portion of obligations under capital leases	4,121	5,695
Liabilities of discontinued operations (note 4)	28,109	20,797
	558,255	376,940
Obligations under capital leases	6,827	7,741
Future tax liability	12,298	20,989
Long-term liabilities of discontinued operations (note 4)		5,087
Convertible debentures (note 6)		152,683
Non-controlling interest	362	15,649
Unitholders' equity	20,590	39,953
	$ 598,332	$ 619,042

Going Concern (note 1)
Subsequent events (note 10)

See accompanying notes to the unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

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

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Revenues	$ 158,213	$ 162,924	$ 440,146	$ 483,167
Cost of revenues	114,918	120,122	323,060	342,863
	43,295	42,802	117,086	140,304
Expenses				
Selling, general and administrative	28,042	28,938	88,088	91,489
Amortization of intangible assets	7,812	8,784	23,449	26,407
Depreciation	2,992	3,000	9,037	8,226
	38,846	40,722	120,574	126,122
Income (loss) before the undernoted	4,449	2,080	(3,488)	14,182
Income from equity investments	349	510	861	1,720
Other income (expense)	-	(382)	-	330
Interest expense	11,099	9,121	31,704	27,560
Write-down of goodwill and intangibles (note 5)	12,151	12,986	15,666	12,986
Impairment of long-term investment (note 5)	-	22,000	-	22,000
Loss before income taxes	(18,452)	(41,899)	(49,997)	(46,314)
Income tax expense - current	24	14	55	33
Income tax recovery - future	(6,865)	(1,890)	(10,621)	(1,996)
Loss from continuing operations before non-controlling interest	(11,611)	(40,023)	(39,431)	(44,351)
Non-controlling interest relating to continuing operations	122	15,526	6,328	17,355
Loss from continuing operations	$ (11,489)	(24,497)	$ (33,103)	(26,996)
Income (loss) from discontinued operations before non-controlling interest (note 4)	(502)	(6,120)	1,221	(3,962)
Non-controlling interest relating to discontinued operations	5	2,367	(120)	1,508
Income (loss) from discontinued operations	(497)	(3,753)	1,101	(2,454)
Net loss and comprehensive loss	$ (11,986)	$ (28,250)	$ (32,002)	$ (29,450)
Income (loss) per unit (note 7)				
Basic and diluted:				
Continuing operations	$ (0.16)	$ (0.56)	$ (0.54)	$ (0.63)
Discontinued operations	(0.01)	(0.08)	0.02	(0.06)
Net loss	(0.17)	(0.64)	(0.52)	(0.69)

See accompanying notes to the unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

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

Nine months ended September 30, 2009	Number of Units	Unitholders' Capital	Equity Component of Convertible Debenture	Deficit	Contributed Surplus	Total Unitholders' Equity
Balance – January 1, 2009	46,540,730	$ 401,640	$ 9,850	$ (373,897)	$ 2,360	$ 39,953
Units exchanged (note 8)	24,427,546	12,639	-	-	-	12,639
Net loss for the period	-	-	-	(32,002)	-	(32,002)
Balance – September 30, 2009	70,968,276	$ 414,279	$ 9,850	$ (405,899)	$ 2,360	$ 20,590

Nine months ended September 30, 2008	Number of Units	Unitholders' Capital	Equity Component of Convertible Debenture	Deficit	Contributed Surplus	Total Unitholders' Equity
Balance – January 1, 2008	41,366,957	$ 380,800	$ 9,850	$ (128,582)	$ 1,392	$263,460
Units exchanged (note 8)	2,672,505	13,039	-	-	-	13,039
Net loss for the period	-	-	-	(29,450)	-	(29,450)
Distributions	-	-	-	(20,906)	-	(20,906)
Balance - September 30, 2008	44,039,462	$ 393,839	$ 9,850	$ (178,938)	$ 1,392	$ 226,143

See accompanying notes to the 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 20	
	2009	2008	2009	2008
Cash (used in) provided by:				
Operating activities:				
Net loss	$ (11,986)	$ (28,250)	$ (32,002)	$(29,450)
Items not affecting cash:				
Income from discontinued operations before non-controlling interest	502	6,120	(1,221)	3,962
Amortization of intangible assets	7,812	8,784	23,449	26,407
Depreciation	3,012	3,000	9,099	8,415
Future income tax (recovery)	(6,865)	(1,890)	(10,621)	(1,996)
Income from equity investments, net of cash received	(252)	517	(227)	1,177
Non-cash interest expense	873	1,080	2,560	3,169
Non-cash compensation expense	-	269	498	815
Write-down of goodwill and intangibles	12,151	12,986	15,666	12,986
Impairment of long-term investment	-	22,000	-	22,000
Non-controlling interest	(117)	(17,893)	(6,208)	(18,863)
Changes in non-cash working capital	9,994	14,543	27,440	17,494
Cash provided by discontinued operations	6,205	1,276	7,796	13,960
	21,329	22,542	36,229	60,076
Financing activities:				
Distribution to unitholders	-	(7,211)	-	(20,906)
Distributions to non-controlling interest	-	(4,475)	-	(14,152)
(Decrease) increase in cash and short-term investments held in trust	3,081	6,980	(4,022)	4,928
Increase (decrease) in revolving credit facilities	10,093	(42,064)	14,793	(47,527)
Repayment of capital lease obligations	(991)	(658)	(3,842)	(3,663)
Cash used in discontinued operations	(5,548)	(8,020)	(6,588)	(14,481)
	6,635	(55,448)	341	(95,801)
Investing activities:				
Acquisition of businesses, net of cash acquired (note 3)	(2,337)	2,000	(10,824)	1,109
Proceeds on disposal of business (note 4)	-	30,710	1,197	30,710
Purchase of property, plant and equipment	(1,748)	(3,359)	(7,378)	(5,681)
Increase in other assets	-	(160)	-	(1,040)
Cash used in discontinued operations	(35)	(682)	(120)	(1,317)
	(4,120)	28,509	(17,125)	23,781
Increase (decrease) in cash and cash equivalents	23,844	(4,397)	19,445	(11,944)
Cash and cash equivalents, beginning of period - continuing operations	18,694	7,105	23,559	10,600
Cash and cash equivalents, beginning of period - discontinued operations	762	5,626	296	9,678
Cash and cash equivalents, end of period – continuing operations	41,916	4,796	41,916	4,796
Cash and cash equivalents, end of period - discontinued operations	1,384	3,538	1,384	3,538
Cash and cash equivalents, end of period	41,916	8,334	41,916	8,334
Cash	41,916	8,254	41,916	8,254
Cash equivalents	-	80	-	80
Supplemental cash flow information:				
Interest paid	$ 5,131	$ 5,213	$ 18,275	$ 21,925
Cash acquired upon acquisition	-	-	-	61
Cash removed on disposal of business	1,384	3,538	1,384	3,538
Supplemental disclosure of non-cash financial and investing activities:				
Acquisition of property, plant and equipment through capital leases	-	749	1,354	3,243

See accompanying notes to the 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 through Newport Partners Holdings LP ("NPH"), either in limited partnerships or in corporations (collectively the "Operating Partnerships"). As at September, 2009, the Fund indirectly holds 99% (September 30, 2008 – 61%) of the outstanding LP units of NPY (note 8).

1. Basis of presentation

(a) Basis of presentation – going concern

These unaudited interim consolidated financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles. The going concern basis of presentation assumes that the Fund will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

On July 21, 2009 the Fund announced that a Forbearance Agreement (the "Forbearance Agreement") had been entered into with a syndicate of lenders (the "Lenders") (see note 6). Under the terms of the Forbearance Agreement, the Lenders have agreed not to enforce their default related rights and remedies under the Senior Credit Agreement for a period of up to 365 days (the "Forbearance Period"). The agreement contemplates the full repayment of amounts outstanding under the Senior Credit Agreement by the end of the Forbearance Period.

On June 30, 2009 the Fund was contractually prohibited from paying interest due on its unsecured subordinated convertible debentures ("Debentures") due to the above-noted covenant breach. (See note 6). As of July 15, 2009 the failure to make the interest payment constitutes an event of default under the terms of the trust indenture of the Debentures. The Fund has begun discussions with holders of the Debentures with a view to seeking amendments or restructuring this debt.

Because of the nature and extent of the terms included in the Forbearance Agreement relating to the repayment of amounts outstanding under the Senior Credit Agreement, along with the potential risk of failure in obtaining approval of amendments to the Debentures, there are material uncertainties resulting in significant doubt about the appropriateness of the use of the going concern assumption.

The financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used.

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles with respect to interim presentation of financial information. 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 and therefore they do not include all information and footnotes required in the preparation of annual financial statements. As a result, these interim consolidated financial statements should be read in conjunction with the Fund's restated audited consolidated financial statements and notes thereto for the year ended December 31, 2008.

These unaudited interim consolidated financial statements are prepared following accounting policies consistent with the Fund's restated audited consolidated financial statements and notes thereto for the year ended December 31, 2008, 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 Section 3064 "Goodwill and Intangible Assets", and EIC 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities".

(a) Goodwill and Intangible Assets

In February 2008, the CICA issued Handbook Section 3064, Goodwill and Intangible Assets, replacing Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. The new section, which was adopted by the Fund effective January 1, 2009, did not have any material impact on the interim consolidated financial statements.

(b) Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued EIC 173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities, which clarifies that the credit risk should be taken into account in determining the fair value of derivative instruments. EIC 173 is to be applied retrospectively without restatement of prior periods to all financial assets and liabilities measured at fair value in interim and annual financial statements for periods ending on or after the date of issuance of EIC 173. The adoption by the Fund of EIC 173 effective January 1, 2009, did not have a material impact on the interim consolidated financial statements.

(c) Future accounting standards

(i) International Financial Reporting Standards (IFRS)

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.

(ii) Business combinations

In January 2009, the CICA issued Handbook Section 1582, Business Combinations, which replaces the existing standard. This section establishes the standards for the accounting of business combinations, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. This standard is equivalent to the IFRS on business combinations. This standard is applied prospectively to business combinations with acquisition dates on or after January 1, 2011. Earlier adoption is permitted. The Fund is currently evaluating the impact of adopting this standard on its consolidated financial statements.

(iii) Non-controlling interests

In January 2009, the CICA issued Handbook Section 1602, Non-controlling interests, which establishes standards for the accounting of non-controlling interests of a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. This standard is equivalent to the IFRS on consolidated and separate financial statements. This standard is effective for 2011. Earlier adoption is permitted. The Fund is currently evaluating the impact of adopting this standard on its consolidated financial statements.

(In thousands of dollars, except unit amounts)

(iv) Consolidated financial statements

In January 2009, the CICA issued Handbook Section 1601, Consolidated financial statements, which replaces the existing standards. This section establishes the standards for preparing consolidated financial statements and is effective for 2011. Earlier adoption is permitted. The Fund is currently evaluating the impact of adopting this standard on its consolidated financial statements.

3. Business combinations

On January 30, 2009, the minority limited partner of Elliott Special Risks LP ("ESR") delivered to NPH an offer letter pursuant to the Shotgun Buy-Sell provision of the limited partnership agreement governing ESR. On February 27, 2009 NPH elected to accept the minority limited partner's offer to sell its 20% interest in ESR. The buy-sell transaction closed on March 31, 2009, at which time, the Fund paid $8,500 and its interest in ESR increased to 100% of the amount. This transaction has been accounted for using the purchase method. The preliminary estimated fair values of the assets acquired and liabilities assumed for this investment were as follows:

Assets acquired:		
Current assets	$	3,584
Property, plant and equipment		112
Long-term investments		109
Goodwill		4,610
Intangible assets		4,852
		13,267
Liabilities assumed:		
Current liability		3,755
Future tax liability		912
		4,667
Net assets acquired:		
Consideration		
Cash		8,500
Transaction costs		100
	$	8,600

On October 1, 2009, the Fund sold its 100% interest in ESR. (See Notes 4 and 10).

(In thousands of dollars, except unit amounts)

On February 10, 2009, Hargraft Schofield LP sold the shares of its wholly owned subsidiary, Hargraft Schofield Benefits Inc. for proceeds of $1,274 to the Fund, and recorded a nominal gain on the transaction. As part of the transaction, goodwill and intangible assets written-off amounted to $240 and $994, respectively.

On August 31, 2009, the Fund settled with the vendor of IC Group, the final payment of a three year earn-out provision, pursuant to the original purchase and sale agreement dated July 2006. The payment amount of $2,337 has been added to goodwill.

4. Discontinued operations

On October 1, 2009, the Fund sold 100% of its investment in ESR for net proceeds of $74,614, resulting in an accounting gain of approximately $31,000. Consequently the results of ESR included in these interim consolidated financial statements have been classified as discontinued operations.

The following table shows the revenue and net income from discontinued operations of ESR for the three and nine months ended September 30, 2009.

	Three months ended September 30, 2009	Nine months ended September 30, 2009
Revenues	$ 5,203	$ 14,502
Net (loss) income before non-controlling interest	(502)	1,221

On September 30, 2008, the Fund sold 100% of the securities of its investment in Ezee ATM LP (“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.

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

	Three months ended September 30, 2008			Nine months ended September 30, 2008		
	ESR	Ezee	Total	ESR	Ezee	Total
Revenues	$ 3,725	$ 9,167	$ 12,892	$ 11,995	$ 25,975	$ 37,970
Net income (loss) before non-controlling interest	(120)	(6,000)	(6,120)	614	(4,576)	(3,962)

(In thousands of dollars, except unit amounts)

The following table summarizes the categorization of the assets and liabilities related to the business of ESR as at September 30, 2009 and December 31, 2008.

	September 30, 2009	December 31, 2008
Assets of discontinued operations	$ 71,006	$ 20,554
Long-term assets of discontinued operations	-	45,009
Current liabilities of discontinued operations	28,109	20,797
Long-term liabilities of discontinued operations	-	5,087
Net assets of discontinued operations	42,897	39,679

Assets of discontinued operations include goodwill and intangibles of $27,832 and $21,812 at September 30, 2009 and $23,722 and $20,353 as at December 31, 2008.

5. Write-down of goodwill and intangible assets and impairment of long-term investments

The Fund reviews all of its investments for possible impairment on an annual basis, or more frequently if there is an event, or series of events, which in the view of management would trigger an earlier review. In view of significantly reduced customer demand and customer attrition, the Fund has decided to perform an impairment test at September 30, 2009 with respect to its investments in Hargraft Schofield LP (“Hargraft”) and Titan Supply LP (“Titan”). Following this review, it was determined that the intangible assets associated with both investments are impaired, and accordingly write-downs have been recorded against the carrying values of brand and customer relationships of $400 and $4,500 for Hargraft, and $3,552 and $3,655 for Titan respectively. In conjunction with these write-downs, the Fund has recorded a future income tax recovery of $1,546 and $2,261 for Hargraft and Titan respectively.

As a result of the September 30, 2008 impairment test, it was determined that goodwill associated with the investment in Armstrong was impaired, and accordingly a write-down of $6,375 was recorded, and that brand values associated with the investments in Armstrong and Titan were impaired, and accordingly write-downs of $2,560 and $4,051 were recorded. In conjunction with the write-downs of brand values, the Fund recorded a future income tax 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 was impaired, and accordingly a write-down of $22,000 was recorded.

During the three months and nine months ended September 30, 2009, additional goodwill in NPY of $44 and $3,559 respectively, arising from step acquisitions on unit exchanges (note 8), was written-off.

6. Credit facilities and long-term debt

On December 7, 2006, the Fund entered into a Senior Credit Agreement with the Lenders to provide up to $320,000 in funding. The Senior Credit Agreement is collateralized by general security agreements covering assets of all of the operating partnerships of the Fund, other than Brompton and RLogistics.

As at December 31, 2008 the Fund was not in compliance with certain covenants under its Senior Credit Agreement.

On July 21, 2009 the Fund announced that a Forbearance Agreement had been entered into with the Lenders. Under the terms of the Forbearance Agreement, the Lenders have agreed not to enforce their default related rights and remedies under the Senior Credit Agreement for a period of up to 365 days.

The Forbearance Agreement includes the following key covenants:

- The Fund has agreed to repay the Lenders in full by the end of the Forbearance Period, by realizing minimum net proceeds on disposals of assets and from the proceeds of re-financings of the investee businesses of the Fund by certain agreed-upon dates. The minimum debt repayments targets and agreed upon dates are $70 million by November 10, 2009 (note 10); $55 million by January 10, 2010 with the balance to be repaid by July 21, 2010.

- From January 31, 2010 the Fund will be subject to a monthly minimum EBITDA covenant, and to a maximum capital expenditures covenant.

Assuming that the Fund is in compliance with the Forbearance Agreement, the Lenders have also agreed that no default interest will accrue or be payable during the Forbearance Period and have agreed to waive certain prepayment fees which would otherwise continue to apply. Default interest up until the beginning of the Forbearance Period will be paid in part from the proceeds of asset sales by November 10, 2009 (note 4) with the balance payable at the end of the Forbearance Period.

A forbearance fee is to be paid to the Lenders, in part from the ESR sale with the balance payable at the end of the Forbearance Period (note 4). The fee is initially 75 basis points of the principal amount outstanding under the Senior Credit Agreement, but may be reduced to 25 basis points upon certain repayment targets being achieved. A fee of $1,850 has been accrued in the three month period ended September 30, 2009.

In conjunction with the signing of the Forbearance Agreement, NPH, a subsidiary of the Fund, has arranged for a $20 million subordinated financing facility from an affiliate in order to provide sufficient working capital. The facility bears interest at 10% per annum and repayments of principal and interest can be made after the January 7, 2010 repayment to the senior lender has been completed. As at September 30, 2009, the Fund has drawn $10 million on this facility.

By reason of the continuing events of default under the Senior Credit Agreement, the Fund was prohibited under its collateral covenant agreement with the Lenders from making the June 30, 2009 interest payment of $6 million on the Debentures. As of July 15, 2009, the failure to make the interest payment constitutes an event of default under the terms of the trust indenture. Under the terms of the trust indenture, the debenture trustee could provide notice to the Fund to declare all principal and interest to become due and payable as a result of this default. Accordingly, after July 15, 2009 the Debentures have been classified as a current liability. The Forbearance Agreement does not permit the Fund to make principal or interest payments during the Forbearance Period Agreement. Accounts payable and accrued liabilities include $8.9 million of accrued interest on Debentures.

7. 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 per unit as they are anti-dilutive.

8. 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, 2009, 212,961 and 24,427,547 A2 LP units were exchanged (2008 – 741,676 and 2,672,505).

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 payment of distributions subsequent to the distribution payment of October 15, 2008.

For the three and nine months ended September 30, 2009 total distributions paid and payable were $nil and $nil (2008 - $7,106 and $20,906, respectively).

9. 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 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 policies of the segments are the same as those described in the summary of significant accounting policies in note 1 of the restated consolidated financial statements for the year ended December 31, 2008. The Fund utilizes earnings 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 unit amounts)

Three months ended September 30, 2009	Financial Services	Marketing	Industrial Services NPC/ Golosky	Industrial Services Quantum Murray	Other	Corporate	Total
Revenue	$ 6,541	$ 20,957	$ 63,580	$ 47,708	$ 19,427	$ -	$ 158,213
Cost of revenue	2,365	10,041	49,330	39,255	13,927	-	114,918
	4,176	10,916	14,250	8,453	5,500	-	43,295
Expenses							
Selling, general and administrative	3,004	8,105	6,555	4,876	2,384	3,118	28,042
Amortization of intangible assets	1,963	1,775	1,323	782	1,969	-	7,812
Depreciation	79	340	1,474	902	169	28	2,992
	5,046	10,220	9,352	6,560	4,522	3,146	38,846
Income (loss) before the undernoted	(870)	696	4,898	1,893	978	(3,146)	4,449
Income from equity investment	42	7	-	-	300	-	349
Interest (income) expense	(31)	37	1,983	80	231	8,799	11,099
Write-down of goodwill and intangibles	4,900	-	-	-	7,207	44	12,151
Income tax expense - current	9	-	-	-	-	15	24
Income tax expense (recovery) – future	(1,883)	(369)	(304)	2,327	(3,402)	(3,234)	(6,865)
(Loss) income from continuing operations	$ (3,823)	$ 1,035	$ 3,219	$ (514)	$ (2,758)	$ (8,770)	$ (11,611)
Add back:							
Interest (income) expense	(31)	37	1,983	80	231	8,799	11,099
Depreciation and amortization (i)	2,042	2,115	2,797	1,684	2,158	28	10,824
Amortization of Brompton intangible asset (ii)	287	-	-	-	-	-	287
Income tax expense – current	9	-	-	-	-	15	24
Income tax expense (recovery) – future	(1,883)	(369)	(304)	2,327	(3,402)	(3,234)	(6,865)
EBITDA	$ (3,399)	$ 2,818	$ 7,695	$ 3,577	$ (3,771)	$ (3,162)	$ 3,758
Goodwill acquired	-	(63)	-	-	-	-	(63)
Expenditures for property, plant and equipment	8	269	343	1017	77	35	1,749
Total assets (iii)	105,199	75,491	124,711	87,228	70,855	134,848	598,332
Total goodwill	30,320	18,639	10,813	7,183	5,288	-	72,243

(i) Depreciation of $20 relating to production equipment has been included in Cost of Revenues in the 2009 period.

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

(iii) Discontinued operations previously part of the financial services, are included in the corporate segment.

(In thousands of dollars, except unit amounts)

Three months ended September 30, 2008	Financial Services	Marketing	Industrial Services		Other	Corporate	Total
			NPC/Golosky	Murray			
Revenue	$ 7,987	$ 23,698	$ 65,986	$ 44,629	$ 20,624	$ -	$ 162,924
Cost of revenue	2,901	11,472	55,943	35,190	14,616	-	120,122
	5,086	12,226	10,043	9,439	6,008	-	42,802
Expenses							
Selling, general and administrative	2,377	8,540	6,359	6,980	3,263	1,419	28,938
Amortization of intangible assets	2,147	1,567	1,581	1,780	1,709	-	8,784
Depreciation	82	364	1,554	779	142	79	3,000
	4,606	10,471	9,494	9,539	5,114	1,498	40,722
Income (loss) before the undernoted	480	1,755	549	(100)	894	(1,498)	2,080
Income from equity investment	173	18	-	-	319	-	510
Other (expense) income	(382)	-	-	-	-	-	(382)
Interest (income) expense	(83)	74	2,325	91	355	6,359	9,121
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)
LLoss from continuing operations	$ (21,652)	$ (6,520)	$ (1,736)	$ (191)	$ (2,059)	$ (7,865)	$ (40,023)
Add back:							
Interest (income) expenses	(83)	74	2,325	91	355	6,359	9,121
Depreciation and amortization (i)	2,229	1,931	3,135	2,559	1,874	79	11,807
Amortization of Brompton intangible asset (ii)	484	-	-	-	-	-	484
Income tax expense – current	6	-	-	-	-	8	14
Income tax recovery - future	-	(716)	(40)	-	(1,134)	-	(1,890)
EBITDA	$ (19,016)	$ (5,231)	$ 3,684	$ 2,459	$ (964)	$ (1,419)	$ (20,487)
Goodwill acquired	-	-	-	-	-	-	-
Expenditures for property, plant and equipment	4	162	1,593	1,537	61	2	3,359
Total assets at December 31, 2008 (iii)	128,608	78,917	147,211	78,349	84,334	101,623	619,042
Total goodwill at December 31, 2008	31,021	16,335	10,813	7,183	5,288	-	70,640

(i) Depreciation of $23 relating to production equipment was included in Cost of Revenues in the 2008 period.

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

(iii) Discontinued operations previously part of the financial services, are included in the corporate segment.

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(In thousands of dollars, except unit amounts)

Nine months ended September 30, 2009	Financial Services	Marketing	Industrial Services NPC/ Golosky	Industrial Services Quantum Murray	Other	Corporate	Total
Revenue	$ 20,650	$ 66,944	$ 196,050	$102,544	$ 53,958	$ -	$ 440,146
Cost of revenue	7,227	31,857	162,040	83,694	38,242	-	323,060
	13,423	35,087	34,010	18,850	15,716	-	117,086
Expenses							
Selling, general and administrative	8,450	24,981	21,200	16,047	8,425	8,985	88,088
Amortization of intangible assets	5,904	5,326	3,968	2,344	5,907	-	23,449
Depreciation	240	1,007	4,649	2,533	514	94	9,037
	14,594	31,314	29,817	20,924	14,846	9,079	120,574
Income (loss) before the undernoted	(1,171)	3,773	4,193	(2,074)	870	(9,079)	(3,488)
Income (loss) from equity investment	(37)	(2)	-	-	900	-	861
Interest (income) expense	(86)	115	6,280	183	703	24,509	31,704
Write-down of goodwill and intangibles	4,900	-	-	-	7,207	3,559	15,666
Income tax expense - current	21	-	-	-	-	34	55
Income tax expense (recovery) – future	(1,170)	(398)	(1,357)	1,031	(3,464)	(5,263)	(10,621))
Income (loss) from continuing operations	$ (4,873)	$ 4,054	$ (730)	$ (3,288)	$ (2,676)	$ (31,918)	$ (39,431)
Add back:							
Interest (income) expense	(86)	115	6,280	183	703	24,509	31,704
Depreciation and amortization (i)	6,144	6,333	8,617	4,877	6,483	94	32,548
Amortization of Brompton intangible Asset (ii)	864	-	-	-	-	-	864
Income tax expense - current	21	-	-	-	-	34	55
Income tax expense (recovery) – future	(1,170)	(398)	(1,357)	1,031	(3,464)	(5,263)	(10,621)
EBITDA	$ 900	$ 10,104	$ 12,810	$ 2,803	$ 1,046	$ (12,544)	$ 15,119
Goodwill acquired		2,337					2,337
Expenditures for property, plant and equipment	26	706	4,980	1,638	13	-	7,363
Total assets (iii)	105,199	75,491	124,711	87,228	70,855	134,848	598,332
Total goodwill	30,320	18,639	10,813	7,183	5,288	-	72,243

(i) Depreciation of $ 62 relating to production equipment has been included in Cost of Revenues in the 2009 period.

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

(iii) Discontinued operations previously part of the financial services, are included in the corporate segment.

(In thousands of dollars, except unit amounts)

Three months and nine months ended September 30, 2009 and 2008
(Unaudited)

Nine months ended September 30, 2008	Financial Services	Marketing	Industrial Services NPC/Golosky	Industrial Services Murray	Other	Corporate	Total
Revenue	$ 26,219	$ 67,259	$ 213,633	$114,082	$ 61,974	$ -	$ 483,167
Cost of revenue	8,709	30,684	174,622	84,388	44,460	-	342,863
	17,510	36,575	39,011	29,694	17,514	-	140,304
Expenses							
Selling, general and administrative	7,367	26,194	23,002	19,938	10,235	4,753	91,489
Amortization of intangible assets	6,442	4,757	4,745	5,341	5,122	-	26,407
Depreciation	243	1,095	4,291	2,098	409	90	8,226
	14,052	32,046	32,038	27,377	15,766	4,843	126,122
Income (loss) before the undernoted	3,458	4,529	6,973	2,317	1,748	(4,843)	14,182
Income from equity investment	599	53	-	-	1,068	-	1,720
Other income (expense)	330	-	-	-	-	-	330
Interest (income) expense	(243)	240	6,861	254	1,186	19,262	27,560
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	$ (17,360)	$ (3,877)	$ 232	$ 2,063	$ (1,287)	$ (24,122)	$ (44,351)
Add back:							
Interest (income) expense	(243)	240	6,861	254	1,186	19,262	27,560
Depreciation and amortization (ii)	6,685	5,852	9,155	7,439	5,601	90	34,822
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	$ (9,476)	$ 1,499	$ 16,128	$ 9,756	$ 4,366	$ (4,753)	$ 17,520
Goodwill acquired	-	-	-	-	785	-	785
Expenditures for property, plant and equipment	92	694	1,733	2,991	165	6	5,681
Total assets at December 31, 2008 (iii)	128,608	78,917	147,211	78,349	84,334	101,623	619,042
Total goodwill at December 31, 2008	31,021	16,335	10,813	7,183	5,288	-	70,640

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

(ii) 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.

(iii) Discontinued operations previously part of the financial services, are included in the corporate segment.

10. Subsequent events

On August 4, 2009, the minority limited partner of Gemma delivered to NPH an offer letter pursuant to the Shotgun Buy-Sell provision of the limited partnership agreement governing Gemma. The Fund is reviewing the offer letter.

On October 1, 2009, the Fund sold its 100% interest in Elliott Special Risks ("ESR") for net proceeds of $74,614 realizing an accounting gain of $31,000. An amount of $70,100 was used to repay senior indebtedness including default interest and forbearance fees of $624, satisfying the first repayment milestone of the Forbearance Agreement.

As a result of this transaction, the results of ESR included in these financial statements are reflected as discontinued operations.

11. Comparative figures

The 2008 comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2009 unaudited interim consolidated financial statements.