Consolidated Financial Statements of

NEWPORT PARTNERS INCOME FUND

Three and Nine Months Ended September 30, 2010 and 2009
(Unaudited)

NEWPORT PARTNERS INCOME FUND

Consolidated Balance Sheets
(In thousands of dollars)
(unaudited)

	September 30, 2010	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	$ 17,535	$ 43,561
Cash and short-term investments held in trust	20,401	20,142
Accounts receivable	106,494	115,525
Inventories	30,412	24,236
Prepaid expenses	4,121	2,843
Other current assets	15,577	14,246
Current assets of discontinued operations (note 4)	223	14,068
	$ 194,763	$ 234,621
Property, plant and equipment	37,843	43,005
Long-term investments	15,776	16,047
Goodwill	69,034	67,994
Intangible assets	70,654	84,096
Other assets	14,194	13,683
Long-term assets of discontinued operations (note 4)	-	20,357
	$ 402,264	$ 479,803
Liabilities and Unitholders' Equity		
Current liabilities:		
Revolving credit facilities (note 6)	$ 10,089	$ 10,089
Current portion of long-term debt (note 6)	111,994	150,499
Convertible debentures (note 6)	158,939	156,136
Accounts payable and accrued liabilities (note 6)	106,727	113,475
Deferred revenue	11,080	10,652
Current portion of obligations under capital leases	4,447	4,588
Current portion of future tax liability	-	105
Current liabilities of discontinued operations (note 4)	321	1,393
	$ 403,597	$ 446,937
Obligations under capital leases	4,005	5,915
Future tax liability	-	906
Long-term liabilities of discontinued operations	-	5,026
Unitholders' equity (deficit) (note 9)	(5,338)	21,019
	$ 402,264	$ 479,803

Going concern (note 1)
Subsequent events (note 13)
See accompanying notes to unaudited interim 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		Nine months ended September 30	
	2010	2009	2010	2009
Revenues	$ 133,433	$ 147,493	$ 384,832	$ 411,983
Cost of revenues	102,806	110,545	291,526	313,196
Gross profit	30,627	36,948	93,306	98,787
Expenses				
Selling, general and administrative	22,878	23,787	70,596	75,069
Amortization of intangible assets	5,318	6,610	15,728	19,844
Depreciation	3,035	2,982	8,895	9,006
	31,231	33,379	95,219	103,919
Income (loss) before the undernoted	(604)	3,569	(1,913)	(5,132)
Income from equity investments	748	349	2,121	861
Interest expense, net	9,313	11,029	25,669	31,511
Loss on sale of investment	442	-	442	-
Write-down of goodwill and intangible assets (note 5)	-	12,151	1,779	15,666
Loss before income taxes	(9,611)	(19,262)	(27,682)	(51,448)
Income tax expense - current	166	24	230	55
Income tax recovery - future (note 7)	(2,294)	(6,538)	(3,377)	(10,298)
Loss from continuing operations before non-controlling interest	(7,483)	(12,748)	(24,535)	(41,205)
Non-controlling interest relating to continuing operations	-	134	-	6,613
	(7,483)	(12,614)	(24,535)	(34,592)
Income (loss) from discontinued operations before non-controlling interest (note 4)	(6,047)	635	(3,055)	2,995
Non-controlling interest relating to discontinued operations	-	(7)	-	(405)
Income (loss) from discontinued operations	(6,047)	628	(3,055)	2,590
Net loss and comprehensive loss	$ (13,530)	$ (11,986)	$ (27,590)	$ (32,002)
Income (loss) per unit (note 8)				
Basic and diluted:				
Continuing operations	$ (0.11)	$ (0.18)	$ (0.34)	$ (0.57)
Discontinued operations	(0.08)	0.01	(0.04)	0.04
Net loss	$ (0.19)	$ (0.17)	$ (0.38)	$ (0.52)

See accompanying notes to unaudited interim consolidated financial statements.

NEWPORT PARTNERS INCOME FUND

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

Nine months ended September 30, 2010	Number of units		Unitholders' Capital		Equity Component of Convertible Debenture		Deficit		Contributed Surplus		Total Unitholders' Equity (Deficit)
Balance - January 1, 2010	71,631,431	$	414,884	$	9,850	$	(406,075)	$	2,360	$	21,019
Net loss for the period	-		-		-		(27,590)		-		(27,590)
Stock-based compensation (note 10)	-		-		-		-		1,233		1,233
Balance -September 30, 2010	71,631,431	$	414,884	$	9,850	$	(433,665)	$	3,593	$	(5,338)

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 of NPY exchanged (note 9)	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

See accompanying notes to unaudited interim consolidated financial statements

NEWPORT PARTNERS INCOME FUND

Consolidated Statements of Cash Flows
(In thousands of dollars)
(unaudited)

	Three months ended September 30		Nine months ended September 30	
	2010	2009	2010	2009
Cash provided by (used in):				
Operating activities:				
Net loss for the period	$ (13,530)	$ (11,986)	$ (27,590)	$ (32,002)
Items not affecting cash:				
(Income) loss from discontinued operations before non-controlling interest (note 4)	6,047	(635)	3,055	(2,995)
Amortization of intangible assets	5,318	6,610	15,728	19,844
Depreciation	3,049	2,998	8,939	9,056
Future income tax recovery	(2,294)	(6,538)	(3,377)	(10,298)
Income from equity investments, net of cash received	(699)	(252)	(120)	(227)
Loss on sale of investment	442		442	
Non-cash interest expense	955	873	2,803	2,560
Non-cash compensation expense	-	-	-	498
Stock based compensation expense (note 10)	153	-	1,233	-
Write-down of goodwill and intangibles (note 5)	-	12,151	1,779	15,666
Non-controlling interest	-	(127)	-	(6,208)
Changes in non-cash working capital	(2,074)	10,080	(7,225)	27,467
Distributions from discontinued operations (note 4)	1,315	2,021	4,937	5,066
Cash provided by (used in) discontinued operations (note 4)	(351)	6,134	4,183	7,802
	(1,669)	21,329	4,787	36,229
Investing activities:				
Acquisition of businesses, net cash acquired (note 3)	-	(2,337)	(4,321)	(10,824)
Proceeds on disposal of business (note 4)	23,310	-	23,581	1,197
Purchase of property, plant and equipment	(1,021)	(1,747)	(2,630)	(7,357)
Purchase of software	(329)	-	(329)	-
Increase in other assets	-	-	(511)	-
Cash used in discontinued operations (note 4)	(25)	(36)	(41)	(141)
	21,935	(4,120)	15,749	(17,125)
Financing activities:				
Repayment of long-term debt	(20,280)	-	(38,505)	-
Increase in revolving credit facilities	-	10,093	-	14,793
Increase (decrease) in cash held in trust	2,194	3,081	(259)	(4,022)
Repayment of capital lease obligations	(1,205)	(991)	(3,656)	(3,842)
Cash provided by (used in) discontinued operations (note 4)	38	(5,548)	(4,463)	(6,588)
	(19,253)	6,635	(46,883)	341
Increase (decrease) in cash and cash equivalents	1,013	23,844	(26,347)	19,445
Cash and cash equivalents, beginning of period - continuing operations	16,184	18,393	43,561	23,315
Cash and cash equivalents, beginning of period - discontinued operations	338	1,063	321	540
Cash and cash equivalents, end of period	$ 17,535	$ 43,300	$ 17,535	$ 43,300
Cash and cash equivalents, end of period - discontinued operations	-	1,613	-	1,613
Cash and cash equivalents, end of period - continuing operations	$ 17,535	$ 41,687	$ 17,535	$ 41,687
Supplemental cash flow information:				
Interest paid	5,087	5,141	12,861	18,275
Cash acquired upon acquisition	-	-	4	-
Cash removed on disposal of business	-	1,384	-	1,384
Supplemental disclosure of non-cash financial and investing activities:				-
Acquisition of property, plant and equipment through capital leases	986	-	1,632	1,354

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 ("Commercial Trust"), interests in Newport Private Yield LP ("NPY"), and its general partner, NPY GP Trust. NPY is a limited partnership formed to indirectly invest in securities of private businesses, either in limited partnerships or in corporations (collectively the "Operating Partnerships"). As at September 30, 2010, the Fund indirectly holds all of the A1 LP units of NPY, representing 100% of the outstanding LP units (September 30, 2009 – 99%).

1. Significant accounting policies

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles with respect to the presentation of interim 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 audited consolidated financial statements and notes thereto for the year ended December 31, 2009.

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") (refer to note 6). Under the terms of the Forbearance Agreement as amended, the Lenders have agreed not to enforce their default related rights and remedies under the Senior Credit Agreement for an original period of up to 365 days that was recently extended to January 31, 2011 (the "Forbearance Period"). The Forbearance Agreement contemplates the full repayment of amounts outstanding under the Senior Credit Agreement by the end of the Forbearance Period. As described in note 6, the Lenders have agreed to four amendments of the repayment terms under the Forbearance Agreement. If the Fund is unable to generate sufficient cash to repay the remaining amounts outstanding under the Forbearance Agreement on January 31, 2011, the Fund would be dependent on the continuing financial support of the Lenders to further amend the repayment terms.

The Fund was contractually prohibited from paying interest due on June 30, 2009 on its unsecured subordinated convertible debentures (the "Debentures") due to the above-noted covenant breach (refer to note 6). As of July 15, 2009 the failure to make the interest payment constituted an event of default under the terms of the trust indenture of the Debentures.

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, and the requirements to resolve the event of default of the Debentures, raise additional indebtedness and re-establish the profitability, equity and cash flows of the Fund, there are material uncertainties resulting in significant doubt about the appropriateness of the use of the going concern assumption.

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

(In thousands of dollars)

2. Change in accounting policies and future accounting standards

The Fund had no changes in accounting policies from the previously audited consolidated financial statements for the year ended December 31, 2009.

3. Business combinations

On August 4, 2009, the minority limited partner of Gemma Communications LP ("Gemma") delivered to Newport Partners Holdings LP ("NPH") an offer letter pursuant to the shotgun buy-sell provision of the limited partnership agreement governing Gemma. NPH elected to accept the minority limited partner's offer to sell its 20% interest in Gemma. The buy-sell transaction closed on January 4, 2010, at which time, the Fund paid $4,285 and its interest in Gemma increased to 100%. This transaction had been accounted for using the purchase method.

The preliminary estimated fair values of the assets acquired and liabilities assumed for this interest were as follows:

	Gemma
Assets acquired:	
Current assets (includes cash of $4)	830
Property, plant and equipment	293
Goodwill	1,040
Intangible assets	3,737
	5,900
Liabilities assumed:	
Current liabilities	544
Long-term liabilities	56
Future tax liability	975
	1,575
Net assets acquired:	
Consideration	
Cash	4,285
Transaction costs	40
	4,325

Adjustments to the preliminary allocations may occur as a result of obtaining more information regarding asset valuations

4. Discontinued operations

On January 30, 2009, the minority limited partner of Elliot 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 transaction closed on March 31, 2009, at which time, the Fund paid $8,500 and its interest in ESR increased to 100%. This transaction has been accounted for using the purchase method. On October 1, 2009, the Fund sold its 100% interest in ESR.

On June 23, 2010, the Fund sold substantially all of the assets of its investment in Sports and Entertainment LP ("S&E"), with net cash proceeds of $271 plus a promissory note for $250.

(In thousands of dollars)

On August 19, 2010 the Fund sold its 90% interest in Peerless Garments LP. The investment was sold for net proceeds of $20,381 resulting in an accounting loss of $3,396 (net of tax of $4,404) which is included in discontinued operations.

The following table shows the revenue and net income from discontinued operations of ESR, S&E and Peerless for the three and nine months ended September 30, 2010 and 2009.

September 30, 2010	Three months			Nine months		
	S & E	Peerless	Total	S & E	Peerless	Total
Revenues	-	2,359	2,359	575	20,506	21,081
Net loss	(890)	(5,157)	(6,047)	(589)	(2,466)	(3,055)

September 30, 2009	Three months				Nine months			
	S & E	Peerless	ESR	Total	S & E	Peerless	ESR	Total
Revenues	279	9,886	5,203	15,368	2,437	24,380	14,502	41,319
Net income (loss) before non-controlling interest	(120)	1,257	(502)	635	85	1,689	1,221	2,995

5. Write-down of goodwill and intangible assets

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. Prior to the sale of NPC's 80% investment in Skystone International LP on July 2, 2010, NPC performed an impairment test on the intangible assets related to this investment. With the availability of current fair market information, it was determined that the intangible assets were impaired. A write down of $1,779 was recorded on June 30, 2010.

Following the September 30, 2009 impairment test, it was determined that the intangible assets associated with the Fund's investment in Hargraft and Titan were impaired, and accordingly write-downs were 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.

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 exchange (note 9), 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 Corp. ("Brompton") and Rlogistics LP ("RGC"). Repayment was required on the maturity date in 2012. Amounts owing under the Senior Credit Agreement originally bore interest at Banker's Acceptance ("BA") rate plus 5.95%.

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 agreed not to enforce their default related rights and remedies under the Senior Credit Agreement for a period of 365 days.

Commencing January 31, 2010, the Fund is subject to a monthly minimum EBITDA covenant, and to a maximum capital expenditures covenant. As at September 30, 2010 the Fund was in compliance with these covenants.

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 was paid in the third quarter and the balance outstanding at September 30, 2010 was $nil (December 31, 2009 - $2,969).

A Forbearance fee was to be paid to the Lenders. The fee is 75 basis points of the principal amount outstanding under the Senior Credit Agreement. The forbearance fee of $1,850 has been paid and the balance outstanding at September 30, 2010 was $nil (December 31, 2009 - $1,758).

In conjunction with the signing of the Forbearance Agreement, NPH, a subsidiary of the Fund, has arranged for a $20,000 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 repayment to the Lender's has been completed. As at September 30, 2010, the Fund has drawn $10,089 on this facility. Interest expense accrued on this facility at September 30, 2010 was $1,197 (December 31, 2009 - $449).

On October 1, 2009, $70,100 was paid to the Lenders and was applied as follows: $32,110 to the revolving credit facility, $30,023 to the term facility, $6,888 to collateralize existing and new letters of credit with the balance of $1,079 to pay default interest and fees. The collateral balance for the letters of credit is included in cash and cash equivalents in trust.

On November 25, 2009, the Fund announced an amendment to the Forbearance Agreement had been entered into with the Lenders (the "First Amendment"). Under the terms of the First Amendment, the requirement to repay $55,000 by January 7, 2010 by way of proceeds from asset sales was amended. The Lenders agreed to allow for repayments by using cash on hand and proceeds from asset sales. On November 25, 2009, $30,000 was repaid and the next repayment was scheduled for February 28, 2010 in the amount of $35,000, with the balance to be repaid by July 21, 2010. In addition, the Lenders consented to NPH acquiring all of the issued and outstanding equity interests of Gemma that it did not currently own.

On February 19, 2010, the Fund announced that a second amendment to the Forbearance Agreement was entered into with the Lenders (the "Second Amendment"). Under the terms of the Second Amendment, the requirement to repay $35,000 by February 28, 2010 was amended to a requirement to pay $18,500. On February 18, 2010 the Fund paid $20,000 from cash on hand which included a $1,500 rescheduling fee that was included in interest expense.

On July 12, 2010 the Fund announced that an amendment to the Forbearance Agreement was entered into (the "Third Amendment") with the Lenders. Under the terms of the Third Amendment, the expiry date was extended by 90 days. The Fund repaid $3,661 on July 2, 2010 using the proceeds from the sale of Skystone International LP. The Fund agreed to repay $1,300 on July 21, 2010 and $15,000 by August 31, 2010 and the balance and associated fees and interest by October 19, 2010. On execution of this amendment, the interest rate payable on the obligations increased by 3% per annum.

On August 18, 2010 the Fund announced the sale of its 90% interest in Peerless Garments LP. The Fund paid $20,548 to the Lenders from the proceeds of the sale.

From July 21, 2009 to September 30, 2010, the Fund has paid a total of $147,073 to its Lenders. Of this amount $98,006 was applied against the term loan and $32,097 was applied against the revolving credit facilities. The balance of the funds repaid represents 1) $10,082 in fees, including $3,484 in default interest, $1,897 in swap breakage fees and $4,701 in other fees and 2) $6,888 to cash collateralize letters of credit outstanding.

On October 4, 2010, the Fund announced that an amendment to the Forbearance Agreement was entered into (the "Fourth Amendment") with the Lenders. Under the terms of the Fourth Amendment, the expiry date was extended by more than three months to January 31, 2011, with the Fund agreeing to pay a fee of $1,155 on October 4, 2010 and reduce the outstanding loan balance to $86,994 by November 30, 2010, with a further reduction to $71,994 by December 31, 2010. The balance of $71,994 was agreed to be paid by January 31, 2011.

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 $5,968 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 trustees 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 are classified as a current liability. The Forbearance Agreement does not permit the Fund to make principal or interest payments on the Debentures during the Forbearance Period and as a result the interest payments due June 30 and December 31, 2009 and June 30, 2010 were not made. Accounts payable and accrued liabilities as at September 30, 2010 include $20,886 of accrued interest on the Debentures (December 31, 2009 - $11,936).

7. Income taxes

The Fund recognized a net future tax asset of $3,281 as at September 30, 2010 in connection with capital loss and net operating loss carry forwards. As a result of uncertainties related to their future use, a full valuation allowance was applied.

8. Loss per unit

The units issuable on the conversion of the Debentures and stock options are the only potential dilutive units. The computation of fully diluted loss per unit is anti-dilutive and is not shown.

9. Unitholders' equity

Pursuant to the Exchange Agreement between the Commercial Trust and NPY all A2 LP units were exchanged for A1 LP units by December 31, 2009.

During the three and nine months ended September 30, 2009, 212,961 and 24,427,546 A2 LP units were exchanged. As these units of NPY were outstanding prior to the IPO, the conversion of these units was calculated as a step acquisition using the original carrying value of these units.

10. Stock-based compensation

On November 30, 2009 the unitholders of the Fund approved an Incentive Option Plan (the "Plan"). Pursuant to the Plan, 7,100,590 units of the Fund were listed and reserved for issuance upon the exercise of the stock options granted. On January 13, 2010, 7,000,000 options were granted to employees and directors at an exercise price of $0.403 per unit with options vesting in 2010 through to 2013. All option grants have a term of five years from the date of grant and generally vest over three years. As at September 30, 2010 3,225,000 units were exercisable. No options were forfeited, exercised or expired during the three and nine months ended September 30, 2010.

The fair value of stock options granted is recognized on a straight-line basis over the applicable stock option vesting period as stock based compensation expense in the consolidated statements of loss and contributed surplus in the consolidated balance sheets. Upon the exercise of stock options, consideration received and the accumulated contributed surplus is credited to unitholders' capital.

The Fund estimates stock-based compensation expense at the grant date based on the fair value of the options as calculated by the Black-Scholes fair value option-pricing model. This fair value model requires various judgmental assumptions including volatility and expected life of the options. The resulting fair value is charged to compensation expense over the vesting period of the options. The following assumptions were used in arriving at the fair value of options granted on January 13, 2010:

(In thousands of dollars)

	2010
Risk free interest rate	1.63%
Expected volatility	141%
Expected weighted average life of options	2.42 years
Expected dividend yield	0%

The Fund recorded stock-based compensation expense for the three and nine months ended September 30, 2010 of $153 and $1,233 for options granted on January 13, 2010.

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 and insurance brokerage services. The marketing segment represents the investment in a fully integrated marketing agency providing in-store promotional marketing, digital and social media marketing solutions, an integrated marketing services agency, an outsourced contact centre operator providing outbound revenue generation and inbound customer care services and a provider of on-line promotional and loyalty programs and select insurance products. 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 services and site remediation services. The other segment incorporates a distributor and manufacturer of heavy equipment, a container transportation business and a reverse logistics provider. The corporate segment includes head office administrative and financing costs incurred by the Fund.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies in note 1 of the audited consolidated financial statements for the year ended December 31, 2009. 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 loss from continuing operations to EBITDA is included herein.

(In thousands of dollars)

Three months ended September 30, 2010	Financial Services	Marketing	Industrial Services		Other	Corporate	Total
			NPC	Quantum Murray			
Revenue	$ 6,212	$ 21,648	$ 66,281	$ 28,670	$ 10,622	$ -	$ 133,433
Cost of revenue	2,068	15,284	55,663	22,596	7,195	-	102,806
	4,144	6,364	10,618	6,074	3,427	-	30,627
Expenses							
Selling, general and administrative	3,026	4,255	5,133	4,929	2,307	3,228	22,878
Amortization of intangible assets	1,511	2,083	613	782	329	-	5,318
Depreciation	64	385	1,501	933	131	21	3,035
	$ 4,601	$ 6,723	$ 7,247	$ 6,644	$ 2,767	$ 3,249	$ 31,231
Income (loss) before the undernoted	(457)	(359)	3,371	(570)	660	(3,249)	(604)
Income from equity investment	467	-	-	-	281	-	748
Interest (income) expense	(32)	57	1,817	98	157	7,216	9,313
Loss on sale of investment	-	-	442	-	-	-	442
Income tax expense (recovery) - current	5	-	(6)	-	-	167	166
Income tax expense (recovery) - future	(1,015)	(2,128)	873	(670)	(16)	662	(2,294)
Income (loss) from continuing operations	$ 1,052	$ 1,712	$ 245	$ 2	$ 800	$ (11,294)	$ (7,483)
Add back:							
Interest (income) expense	(32)	57	1,817	98	157	7,216	9,313
Depreciation and amortization (i)	1,575	2,468	2,114	1,715	474	21	8,367
Amortization of Brompton intangible assets (ii)	287	-	-	-	-	-	287
Income tax expense (recovery) - current	5	-	(6)	-	-	167	166
Income tax expense (recovery) - future	(1,015)	(2,128)	873	(670)	(16)	662	(2,294)
EBITDA	$ 1,872	$ 2,109	$ 5,043	$ 1,145	$ 1,415	$ (3,228)	$ 8,356
Goodwill acquired	-	-	-	-	-	-	-
Expenditures for property, plant and equipment	16	327	359	312	7	-	1,021
Total assets	92,760	73,216	92,804	67,649	33,974	41,861	402,264
Total goodwill	27,493	19,309	10,681	7,183	4,368	-	69,034

(i) Depreciation of $14 relating to production equipment has been included in cost of revenue.
(ii) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(In thousands of dollars)

Three months ended September 30, 2009	Financial Services	Marketing	Industrial Services		Other	Corporate	Total
			NPC	Quantum Murray			
Revenue	$ 6,541	$ 20,123	$ 63,580	$ 47,708	$ 9,541	$ -	$ 147,493
Cost of revenue	2,365	13,098	49,330	39,255	6,497	-	110,545
	4,176	7,025	14,250	8,453	3,044	-	36,948
Expenses							
Selling, general and administrative	3,004	4,198	6,555	4,876	2,036	3,118	23,787
Amortization of intangible assets	1,963	1,691	1,323	782	851	-	6,610
Depreciation	79	336	1,474	902	163	28	2,982
	$ 5,046	$ 6,225	$ 9,352	$ 6,560	$ 3,050	$ 3,146	$ 33,379
Income (loss) before the undernoted	(870)	800	4,898	1,893	(6)	(3,146)	3,569
Income from equity investment	42	7	-	-	300	-	349
Interest (income) expense	(31)	29	1,983	80	169	8,799	11,029
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)	(377)	(304)	2,327	(3,067)	(3,234)	(6,538)
Income (loss) from continuing operations	$ (3,823)	$ 1,155	$ 3,219	$ (514)	$ (4,015)	$ (8,770)	$ (12,748)
Add back:							
Interest (income) expense	(31)	29	1,983	80	169	8,799	11,029
Depreciation and amortization (i)	2,042	2,027	2,797	1,684	1,030	28	9,608
Amortization of Brompton intangible assets (ii)	287	-	-	-	-	-	287
Income tax expense - current	9	-	-	-	-	15	24
Income tax expense (recovery) - future	(1,883)	(377)	(304)	2,327	(3,067)	(3,234)	(6,538)
EBITDA	$ (3,399)	$ 2,834	$ 7,695	$ 3,577	$ (5,883)	$ (3,162)	$ 1,662
Goodwill acquired	-	(63)	-	-	-	-	(63)
Expenditures for property, plant and equipment	8	268	343	1,017	76	35	1,747
As at December 31, 2009:							
Total assets (iii)	96,684	69,750	91,371	85,634	33,499	102,865	479,803
Total goodwill	27,493	18,269	10,681	7,183	4,368	-	67,994

(i) Depreciation of $16 relating to production equipment has been included in cost of revenue.
(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 segment are included in the Corporate segment (refer to note 4).

(In thousands of dollars)

Nine months ended September 30, 2010	Financial Services	Marketing	Industrial Services NPC	Industrial Services Quantum Murray	Other	Corporate	Total
Revenue	$ 19,830	$ 65,391	$ 195,505	$ 74,060	$ 30,046	$ -	$ 384,832
Cost of revenue	6,147	44,827	162,056	58,082	20,414	-	291,526
	13,683	20,564	33,449	15,978	9,632	-	93,306
Expenses							
Selling, general and administrative	9,424	13,160	16,520	15,320	6,965	9,207	70,596
Amortization of intangible assets	4,535	5,661	2,200	2,345	987	-	15,728
Depreciation	168	1,149	4,202	2,904	404	68	8,895
	$ 14,127	$ 19,970	$ 22,922	$ 20,569	$ 8,356	$ 9,275	$ 95,219
Income (loss) before the undernoted	(444)	594	10,527	(4,591)	1,276	(9,275)	(1,913)
Income from equity investment	1,355	35	-	-	731	-	2,121
Interest (income) expense	(94)	150	5,610	202	448	19,353	25,669
Loss on sale of investment	-	-	442	-	-	-	442
Write-down of goodwill and intangibles	-	-	1,779	-	-	-	1,779
Income tax expense - current	25	-	9	-	-	196	230
Income tax expense (recovery) - future	(1,465)	(3,154)	(232)	1,349	(108)	233	(3,377)
Income (loss) from continuing operations	$ 2,445	$ 3,633	$ 2,919	$ (6,142)	$ 1,667	$ (29,057)	$ (24,535)
Add back:							
Interest (income) expense	(94)	150	5,610	202	448	19,353	25,669
Depreciation and amortization (i)	4,703	6,810	6,402	5,249	1,435	68	24,667
Amortization of Brompton intangible assets (ii)	862	-	-	-	-	-	862
Income tax expense - current	25	-	9	-	-	196	230
Income tax expense (recovery) - future	(1,465)	(3,154)	(232)	1,349	(108)	233	(3,377)
EBITDA	$ 6,476	$ 7,439	$ 14,708	$ 658	$ 3,442	$ (9,207)	$ 23,516
Goodwill acquired		1,040					1,040
Expenditures for property, plant and equipment	78	741	710	1,060	41	-	2,630
Total assets	92,760	73,216	92,804	67,649	33,974	41,861	402,264
Total goodwill	27,493	19,309	10,681	7,183	4,368	-	69,034

(i) Depreciation of $44 relating to production equipment has been included in cost of revenue.
(ii) The amortization of the intangible asset related to the investment in Brompton is included in income from equity investment.

(In thousands of dollars)

Nine months ended September 30, 2009	Financial Services	Marketing	Industrial Services NPC	Industrial Services Quantum Murray	Other	Corporate	Total
Revenue	$ 20,650	$ 63,161	$ 196,050	$ 102,544	$ 29,578	$ -	$ 411,983
Cost of revenue	7,227	40,370	162,040	83,694	19,865	-	313,196
	13,423	22,791	34,010	18,850	9,713	-	98,787
Expenses							
Selling, general and administrative	8,450	13,069	21,200	16,047	7,318	8,985	75,069
Amortization of intangible assets	5,904	5,074	3,968	2,344	2,554	-	19,844
Depreciation	240	994	4,649	2,533	496	94	9,006
	14,594	19,137	29,817	20,924	10,368	9,079	103,919
Income (loss) before the undernoted	(1,171)	3,654	4,193	(2,074)	(655)	(9,079)	(5,132)
Income (loss) from equity investment	(37)	(2)	-	-	900	-	861
Write down of goodwill	4,900	-	-	-	7,207	3,559	15,666
Interest (income) expense	(86)	92	6,280	183	532	24,510	31,511
Income tax expense - current	21	-	-	-	-	34	55
Income tax expense (recovery) - future	(1,170)	(410)	(1,357)	1,031	(3,129)	(5,263)	(10,298)
Income (loss) from continuing operations	$ (4,873)	$ 3,970	$ (730)	$ (3,288)	$ (4,365)	$ (31,919)	$ (41,205)
Add back:							
Interest (income) expense	(86)	92	6,280	183	532	24,510	31,511
Depreciation and amortization (i)	6,144	6,068	8,617	4,877	3,100	94	28,900
Amortization of Brompton intangible assets (ii)	864	-	-	-	-	-	864
Income tax expense - current	21	-	-	-	-	34	55
Income tax expense (recovery) - future	(1,170)	(410)	(1,357)	1,031	(3,129)	(5,263)	(10,298)
EBITDA	$ 900	$ 9,720	$ 12,810	$ 2,803	$ (3,862)	$ (12,544)	$ 9,827
Goodwill acquired	-	2,337	-	-	-	-	2,337
Expenditures for property, plant and equipment	26	708	4,980	1,638	5	-	7,357
As at December 31, 2009:							
Total assets (iii)	96,684	69,750	91,371	85,634	33,499	102,865	479,803
Total goodwill	27,493	18,269	10,681	7,183	4,368	-	67,994

(i) Depreciation of $50 relating to production equipment has been included in cost of revenue.
(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 segment are included in the Corporate segment (refer to note 4).

12. Comparative figures

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation in the September 30, 2010 unaudited interim consolidated financial statements.

13. Subsequent events

On October 4, 2010, the Fund announced that an amendment to the Forbearance Agreement was entered into (the "Fourth Amendment") with the Lenders. Under the terms of the Fourth Amendment, the expiry date was extended by more than three months to January 31, 2011, with the Fund agreeing to pay a fee of $1,155 on October 4, 2010 and reduce the outstanding loan balance to $86,994 by November 30, 2010, with a further reduction to $71,994 by December 31, 2010. The balance of $71,994 was agreed to be paid by January 31, 2011.